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PARIS, FRIDAY, DECEMBER 7, 1984

Fear of a Greek Veto Clouds EC Talks on Spain, Portugal

By Axel Krause
International Herald Tribune
PARIS—Several West European officials expressed concern Thursday that Prime Minister Andreas Papandreu of Greece might actually block negotiations on the entry of Spain and Portugal into the European Community despite an apparent agreement to proceed with the talks.

Officials of the European Commission said they planned to proceed with setting up the talks as previously planned, but emphasized that Greece had the power to block the talks.

Turkey's prime minister still plans to apply for full membership in the EC, Page 4.

under EC rules to block the negotiations. "They can stop us at any time," a source on the commission said.

At the same time, the ambassadors of several EC countries conceded Thursday that they were "very worried" about what Greece may do. "What concerns me is whether they might actually go through with their threat," said one, who asked to remain unidentified.

The apparent agreement to negotiate was reached at the EC meeting of heads of government in Dublin on Tuesday. As a precondition to the talks, Mr. Papandreu is demanding that the EC approve a \$47-billion aid program for the Mediterranean area. Officials said it had been assumed by participants at the Dublin meeting that the negotiations with Madrid and Lisbon would be allowed to continue while the aid plan was negotiated.

Gaston Thorn, president of the European Commission, said Thursday in Brussels that Greece's position had probably wrecked the timetable for admitting Spain and Portugal to EC membership by the Jan. 1, 1986 target date, Reuters reported.

"I don't believe in the deadline any more," the agency quoted him as saying. He added that EC leaders would have to confront the aid issue at their next meeting in March.

Greece's power to stop the negotiations, if it chooses, derives from an EC rule requiring unanimous approval on key issues affecting member governments' "vital national interests."

EC diplomatic officials said that if Greece does veto the negotiations, the action could generate new support for a proposal to soften the unanimous-assent rule and move the community toward majority-rule on some important issues. The issue is expected to be a key item at the EC meeting of government heads in Milan in June.

Meanwhile, Prime Minister Garret FitzGerald of Ireland, who is president of the EC's Council of Ministers, told the Irish parliament, the Dail, on Thursday that he would continue directing preparations for the enlargement talks, despite the Greek "reservations."

The first hint that Greece might move to block the talks surfaced amid some confusion at the close of the Dublin meeting on Tuesday.

Mr. FitzGerald said at a news conference that EC leaders had agreed to proceed with the talks, despite Greece's position. But Theodoros Pangalos, the Greek secretary for foreign affairs, told EC foreign ministers in a separate meeting that day that Athens had not agreed to proceed.

According to delegation sources, he repeated the statement after consulting with Mr. Papandreu at the request of Peter Barry, Ireland's foreign minister.



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Amid unconfirmed reports that the Greek cabinet was deeply divided on the issue, Mr. Papandreu was quoted in Athens on Wednesday as saying that the talks could proceed. The conflicting statements were regarded with skepticism by EC officials, and were seen as a ploy to put pressure on the community to adopt the Mediterranean development plan early next year.

The EC Commission first proposed the Mediterranean aid plan in 1980 to help EC countries in the region cope with the economic competition that would be generated by the entry of Spain and Portugal, which is scheduled for Jan. 1, 1986.

The plan calls for EC outlays of 6.6 billion European Currency Units (\$4.7 billion) over six years to help develop regional agriculture, tourism and small business.

Under the proposal, Greece would receive 2.5 billion ECUs for nationwide development; Italy, 2.9 billion for development in Tuscany, the Mezzogiorno, the Marche and Umbria, and France, 1.1 billion for projects in Corsica, the Riviera and neighboring areas.

Most leaders attending the Dublin meeting dismissed the proposed costs as exorbitant, and suggested that it be substantially scaled back.

The next expression of formal Greek government sentiment on the issue is expected to surface at a meeting of EC foreign ministers in Brussels on Dec. 17 and 18.

Leaders of the Melanesian, or Kanak, separatist group denounced the murder of their followers. "We're facing people who want to massacre us," said Lewene, a minister in the "provisional government" of the militant separatists. "We are confronting barbarians with guns. We must develop a new strategy."

[The separatists lifted roadblocks Thursday and ended their occupation of several public buildings. United Press International reported from Noumea.]

[The Melanesian separatists left the town hall at Lifou in the Loyalty Islands and left several police stations they had occupied for two weeks to press demands for independence. But one hard-line separatist group maintained blockades on roads leading to the northeast-

ern coastal town of Thio on the main island of Grande Terre.

[A separatist leader, Jean-Marie Tjibao, said roadblocks were lifted following the release of 17 Kanaks jailed for disrupting Nov. 18 elections for a semi-autonomous territorial government.]

A special French envoy, Edgard Pisani, who ordered the freeing of the 17 prisoners, described the situation Thursday as "détente," after the "tragic events of last night." In a statement, Mr. Pisani said that "other gestures of appeasement" from the French government would follow. He did not elaborate.

The native separatists are demanding an independence formula under which voting rights would be granted only to Melanesians, who number 62,000, or 43 percent, of the population of 145,000 on the island territory. The French position has been that all New Caledonians should vote to determine the territory's future—whether to become independent or remain a French colony.

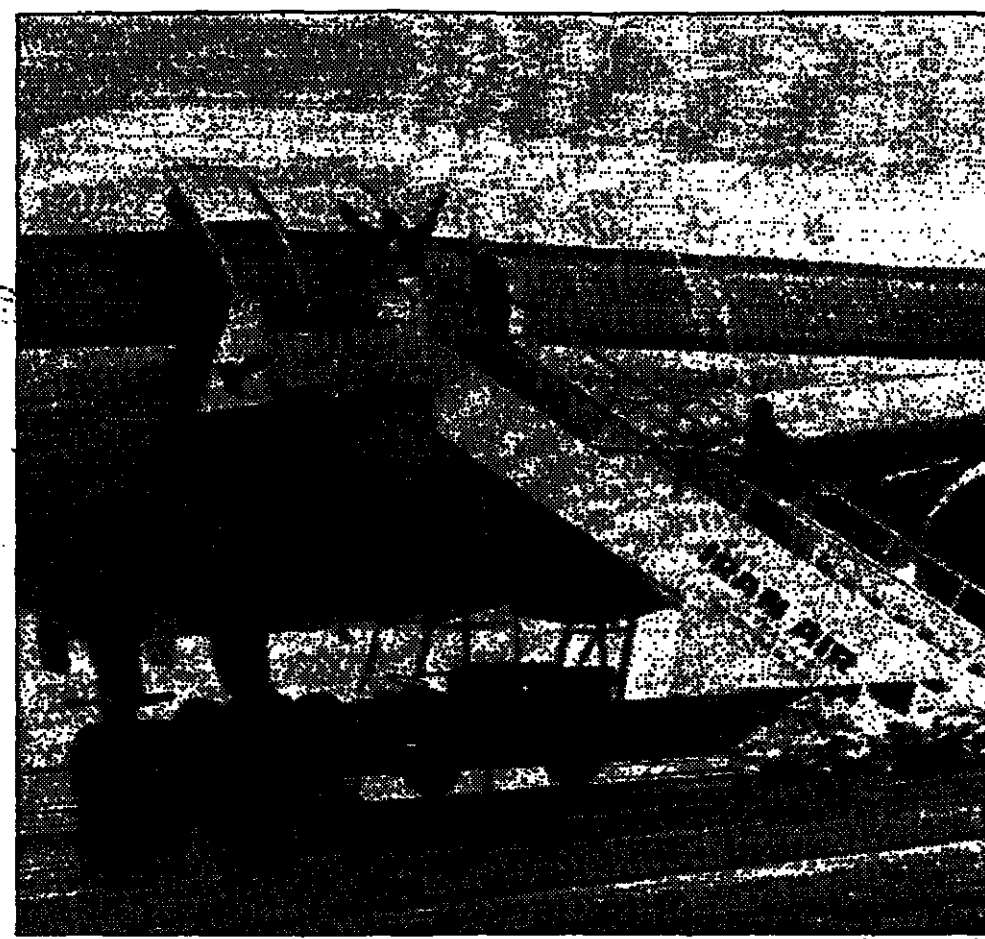
Yet French officials concede privately that independence is inevitable, with suffrage for Melanesians and for whites remaining as the central issue.

In the wake of Wednesday's violence, the situation in New Caledonia is uncertain. A foreign diplomat in Noumea said there is a possibility of "civil war" if the two sides become increasingly antagonistic. Separatist leaders said they would wait until after the nine members of their group killed Wednesday are buried, probably Saturday or Sunday, before deciding what to do next.

The killings are particularly sensitive because among those killed were two brothers of Mr. Tjibao, the leader of the separatist group, the Kanak Socialist National Liberation Front. Two brothers of Mr. Tjibao, Tarcisse and Louis, were among the 17 people in two vehicles that were ambushed in Hienghene, a village on the northeastern coast of the main island.

Mr. Tjibao is the mayor of Hienghene.

(Continued on Page 2, Col. 6)



Hijackers in Tehran searching a doctor who boarded the plane to treat an injured passenger.

9 Melanesians Are Killed in Violence; Roadblocks Lifted in New Caledonia

By Steve Lohr

New York Times Service
NOUMEA, New Caledonia—In the worst violence in more than two weeks of strife on this South Pacific French territory, nine independence-seeking Melanesians were killed Wednesday night, the police said Thursday.

Although the investigation has just begun, the killings are assumed to be the work of French loyalists who oppose independence, according to French officials.

Leaders of the Melanesian, or Kanak, separatist group denounced the murder of their followers. "We're facing people who want to massacre us," said Lewene, a minister in the "provisional government" of the militant separatists. "We are confronting barbarians with guns. We must develop a new strategy."

[The separatists lifted roadblocks Thursday and ended their occupation of several public buildings. United Press International reported from Noumea.]

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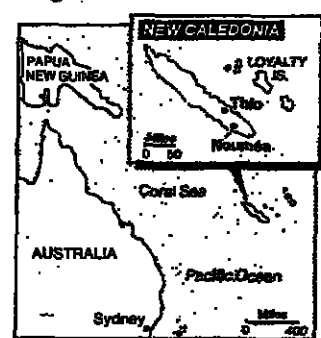
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(Continued on Page 2, Col. 6)



Map of New Caledonia showing the location of Noumea and the surrounding islands.

4 More Hostages Reported Killed By Hijackers on Plane in Tehran

Reuters

TEHRAN—The hijackers who were holding a Kuwaiti airliner here killed at least four more of their hostages at Tehran's airport on Thursday, bringing the total number of dead to five, according to officials and witnesses.

The official Iranian news agency, IRNA, said that one of Thursday's victims had described himself as the U.S. consul-general in Karachi. Later, the Iranian news agency said the slain man was an employee of the U.S. Consulate in Pakistan.

[The U.S. State Department said that two Americans, both officials of the U.S. Agency for International Development, apparently have been killed by the hijackers. The Associated Press reported from Washington.]

[Basing its statement on information from Swiss diplomats in Tehran, the State Department said: "It appears two AID employees have been murdered at Tehran airport." The statement cautioned, however, that "we cannot absolutely confirm that the murders took place, nor can we absolutely confirm the identities of these individuals and officially release their names."

[One of the freed passengers, meanwhile, said that the hijackers were waved through a checkpoint in Dubai where other passengers were being searched. Bashir Qadiri, 20, one of 67 passengers released, said a security guard at the Dubai airport did not search the men even though other passengers were being searched routinely. Mr. Qadiri said there were only four hijackers, not five as reported by the Iranian agency.]

The State Department said earlier that three American officials of the Agency for International Development were on the plane.

The hijackers have demanded a replacement pilot and co-pilot, apparently so they can fly out of Tehran. They commandeered the Kuwait Airways Airbus on a flight from Kuwait to Karachi shortly after a stopover in the Gulf emirate of Dubai early Tuesday.

Officials and witnesses said that two hostages were killed Thursday morning and two more in the afternoon. The witnesses said that the two afternoon shootings were carried out on the gangway stairs. The Iranian news agency later gave a dramatic account of the afternoon shootings.

"At 3:50 P.M. local time, the hijackers brought out two passengers of the plane to the staircase of the aircraft and started counting down, threatening to kill them," the agency reported.

"One of the passengers requested a loudspeaker," it said, "and, after it was given to him, in a pleading voice, he introduced himself as the U.S. consul-general in Karachi and pleaded with Kuwaiti officials to meet the demands of the hijackers. Otherwise, he said, the hijackers would kill him."

The agency continued: "The American passenger, speaking through the loudspeaker, said: 'Tell the Kuwaiti authorities to provide the hijackers with a pilot and co-pilot because they are serious about their threats.'"

"At 4 P.M., the hijackers brought two of the passengers outside the door of the aircraft and announced that only five more minutes' time was left. Meanwhile, the negotiations continued with the Kuwaiti officials at the airport through a translator."

"The hijackers then killed the American passenger by firing six bullets."

The hijackers' demands have not been formally announced, but the Iranian news agency said they were seeking the release of a number of men jailed or sentenced to death in Kuwait for the bombing of the U.S. and French embassies and other buildings a year ago.

Security guards and other witnesses at the Tehran airport said they had seen two men shot and killed on the gangway stairs of the Kuwait Airways jet on Thursday afternoon.

The news agency said that four passengers had been freed, bringing to 73 the number released, and leaving about 90 passengers and crew on board.

Another passenger, a Pakistani, had a narrow and dramatic escape Thursday morning when, according to an Iranian Foreign Ministry spokesman, he was being led onto the gangway stairs to be shot. The man broke free and ran as the hijackers shot at him. He was not hit.

He was identified only as Dildar, 28, who had been working in Saarbrücken, West Germany.

He said he saw a body in the plane and realized that he was being taken to be killed.

"I had nothing to lose," he said. "I ran out, banged the door behind me and ran for it. When the hijackers got the door open, they fired three shots." They missed and he reached cover, shaken but unhurt.

Gas-Death Toll in India Put at 1,267

Head of Union Carbide Is Denied Entry to Sealed Plant

The Associated Press

BHOPAL, India—The chairman of Union Carbide Corp., Warren M. Anderson, arrived Thursday to inspect the area where a leak of poisonous gas from a company pesticide plant killed at least 1,267 people. Indian officials reportedly refused to let him enter the sealed and guarded plant.

Mr. Anderson flew to Bhopal from Bombay, where he discussed compensation for victims of Monday's leak of methyl isocyanate gas.

But the government of Madhya Pradesh state barred Mr. Anderson and a team of U.S. technical experts from entering the Union Carbide plant in Bhopal, United News of India reported. The news agency quoted an unidentified government official as saying the Americans were denied entry because the plant was sealed to prevent any tampering with evidence.

Press Trust of India, another news agency, reported that detectives from the Central Bureau of Investigation seized all log books and documents pertaining to storage and release of gas at the plant.

The Washington Post reported earlier that senior police and company officials said that two Union Carbide employees responsible for helping stem the leak of poisonous gas had run away after the high-pressure burst of fumes began.

Their absence from their posts left a lone supervisor, who was eventually overcome by the toxic fumes, to fight the leak.

If the two workers had not run away, "nobody would have died," Major Gish K. Tiwari, a local official, said.

(Continued on Page 2, Col. 3)



A woman whose eyes were injured by a cloud of poisonous gas sits with a child among other victims in Bhopal, India.

Goldwater Urges Freeze On Military, End of MX

By Fred Hiatt

Washington Post Service
WASHINGTON—Senator Barry Goldwater, who will be the next chairman of the Senate Armed Services Committee, said this week that President Ronald Reagan should freeze military spending for the 1986 fiscal year at the 1985 level as a way to help reduce the budget deficit.

In addition, he said, Mr. Reagan should give up attempts to win approval for the MX strategic missile. The remarks by the Arizona Republican appear to represent a reversal for the White House and the Pentagon, which on major issues could almost always count on the vote of the current chairman, John G. Tower, Republican of Texas.

Mr. Tower is retiring from Congress at the end of this session. Mr. Goldwater said he would support the military from his position as committee chairman but wants to reduce the size of the Pentagon staff and rein in military contractors who, he said, until now "pretty much wrote their ticket."

Mr. Goldwater, who is nearing his 76th birthday, was the Republican candidate for president in 1964. He has announced that the remaining two years of his current term will be his last in the Senate.

Despite his sympathy for the military, Mr. Goldwater departed sharply from administration orthodoxy during the interview. He said that the Pentagon can get along without more money and without the MX missile.

Defense Secretary Caspar W. Weinberger has said that military spending should rise from \$293 billion in fiscal 1985 to about \$334 billion in fiscal 1986.

"They can live with it," Mr. Goldwater said, referring to a spending freeze. "They won't be happy. Neither will the post office be happy with the same money they got. Neither will my secretary be happy with the same money she got. But you can't keep pumping out money you don't have."

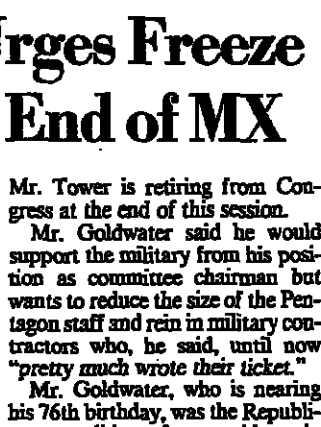
Mr. Goldwater said that he expected Congress to kill the MX. The 10-warhead nuclear missile is the centerpiece of the administration's strategic modernization program, but Congress balked at funding it last year. A new vote is scheduled for this spring, but the Arizonaan said he hoped Mr. Reagan "would not push this thing."

The senator said he had supported the MX until now. If the Air Force had called it "Minuteman IV," making it seem to be a modification of existing missiles rather than a new system, it would be built by now, he said. But he added that "my heart has never been in" the MX.

Plans for basing the MX, with a range of 6,000 miles (9,700 kilometers), have changed over the years; the last plan would have it based in silos, in Wyoming.

"I'm not one of these freeze-the-nuke nuts," he said. "But I think we have enough. I think they have more than enough, and I don't see any big sense in going ahead building."

When he takes over the chair (Continued on Page 2, Col. 7)



Senator Barry Goldwater

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When he takes over the chair (Continued on Page 2, Col. 7)

Republicans Again Urge Defense Cuts

By David Hoffman

Washington Post Service
WASHINGTON—President Ronald Reagan came under renewed pressure Thursday from Republican congressional leaders for a slowdown in his military buildup, a day after he decided to save \$34 billion by freezing domestic spending next year.

Mr. Reagan presented his cabinet Wednesday with the proposed cuts for the 1986 fiscal year. The incoming Senate majority leader, Robert J. Dole of Kansas, said Thursday that the president also must agree to considerable cuts in Pentagon spending if he is to succeed in reducing deficits of more than \$200 billion annually in the next few years.

"This is going to hit everyone," Mr. Dole said of the proposed cuts. "Every group is going to scream and kick."

"We've got to find real money" by cutting the military budget, he said.

Robert H. Michel of Illinois, the House minority leader, said after meeting with Mr. Reagan that a slowdown of the planned military buildup was the only way the president could expect to win congressional support for the domestic spending cuts.

The plan includes a 5-percent pay reduction for federal civilian workers and a freeze that would include such programs as food stamps and federal aid to the needy aged, blind and disabled. There also would be deep cuts in spending on college student aid, grants to cities and farm price supports, among other programs. The Small Business Administration would be eliminated.

The Republican congressmen said they also raised the possibility with Mr. Reagan of a one-year delay in cost-of-living adjustments in the Social Security disability and retirement program. But White House officials said Mr. Reagan (Continued on Page 2, Col. 7)

INSIDE



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TOMORROW
No world leader knows the U.S. better... but few are more openly critical of it—than Andreas Papandreu of Greece.

Accord on Hong Kong Cleared by U.K. House

The Associated Press

LONDON — The House of Commons has unanimously approved the accord to return Hong Kong to China in 1997, when Britain's lease on the colony expires.

Despite the accord's unanimous passage late Wednesday after a six-hour debate, however, several legislators questioned whether it adequately guaranteed the right of Hong Kong's 5.5 million residents to leave if they so desired.

Richard Luce, minister of state for the Foreign Office, rejected calls for Prime Minister Margaret Thatcher's Conservative government to approach Commonwealth and NATO countries to help resettle those who want to leave.

Mr. Luce said that to request such help would "display a lack of faith in the agreement we have just reached" and would be "unsettling" for the people whom the agreement is intended to protect.

Earlier in the day, Mrs. Thatcher promised Britain's "wholehearted commitment" to the agreement, which she is scheduled to sign in Beijing in two weeks.

The agreement is expected to win overwhelming approval from the House of Lords, the upper house of Britain's Parliament, when it considers it on Monday.

Under the accord, which was initiated in Beijing in September, China guarantees to maintain Hong Kong's capitalist economic system for 50 years after 1997. China will then take over the territory as a "special administrative region."

China also has pledged to allow

residents during that time to own property and retain freedom of speech, travel and worship. But China will be responsible for military matters and foreign affairs.

Opening the debate, the foreign secretary, Sir Geoffrey Howe, called the draft accord "a bold and imaginative plan" that provides "a firm guarantee that socialist policies pursued on the mainland will not be practiced in Hong Kong."

He added: "The concept of maintaining two separate political, economic and social systems within one country is a far-sighted one, which is closely associated with Chairman Deng Xiaoping himself." Mr. Deng is the Chinese Communist leader.

Sir Geoffrey said there was no mention in the accord of the issue of possible conscription of Hong Kong residents into the Chinese Army after 1997.

"The Chinese government has not suggested that there would be conscription," he said, "and, therefore, there is no reason to assume there would be."

Asked about the possibility that 6,000 to 10,000 non-Chinese residents of Hong Kong could wind up stateless, Sir Geoffrey said that a solution would likely come from legislation arising from the agreement.

Dennis Healey, foreign affairs spokesman for the opposition Labor Party, said there would be need for fuller assurances on nationality and travel arrangements for 2 million Hong Kong residents with passports stamped "British Dependent Territories."

In Bhopal, the Suffering Floods the Hospitals

By Sanjoy Hazarika

New York Times Service

BHOPAL, India — Thousands of men, women and children are continuing to flood the hospitals of this stricken city after gas leaked from an American-owned insecticide plant, reportedly killing more than 1,200 people.

They were stretched out on cots in overcrowded wards and in the corridors. Infants and children lay side by side, crying as they struggled to breathe.

Others of the stricken were living under tents set up by relief organizations and the army, fed by citizens groups and attended by a throng of doctors, nurses and medical students.

They coughed and vomited. Many just sat or lay on the ground, their eyes closed in pain from the effects of the gas. Some were temporarily blind; others complained of dizziness. Almost all had runny eyes and found breathing hard.

At the Moslem graveyards and the Hindu cremation grounds, bodies were unloaded at regular intervals and buried or burned as weeping relatives watched.

"I have lost my 3-year-old son, he was everything to me," said Somnath Singh as he carried the child to a shallow grave Wednesday.

The body of Mr. Singh's son, Anil, was placed gently in the two-foot-deep grave, his toes touching the head of another, unidentified, child.

"Long victory to Lord Krishna," chanted a priest, invoking the name of a Hindu god as he threw earth into the grave.

A few yards away trucks and an ambulance deposited 30 bodies within half an hour. These were placed by Hindu volunteers on a mass pyre of firewood, covered with straw and more wood, soaked with gasoline and set afire.

Volunteers keeping a register at the main cremation ground, Chola Ghat, said they had handled the bodies of 550 adults and 110 children in the last two days.

"We have been told that more bodies are coming from the hospitals," said one of the volunteers, Wafa Siddiquei.

Some of the most pathetic scenes were at the state-run Gandhi College Hospital. Health authorities said they had treated at least 50,000 cases, most of them at the Gandhi Hospital.

Doctors had placed oxygen tubes and glucose drops in the mouths and noses of the children to help them breathe.

Many of the infants were barely able to move their spindly arms and legs as they looked at the doctors and their shaken parents, many of whom were rubbing streaming eyes and breathing with difficulty.

A woman who gave her name as Chaya sat in a daze in a corridor, a sleeping child on her lap. She was unable to answer questions; her voice was distorted and she kept rubbing her inflamed eyes.

A white-haired woman who said she was about 70 clutched her 8-year-old grandson as she sat at the edge of a tent. "He has only just begun to see again after two days," she said.

She said she did not know what had happened to her son and his wife because she had fled in panic with the boy from near the city

railroad station once the gas flooded into her neighborhood.

Elsewhere in this crowded city of 900,000, doctors, relief agencies and private groups have set up clinics on sidewalks and outside stores. One of the busiest was at Jayaprakash Nagar, opposite the Union Carbide factory where the gas leak occurred.

"I don't think that less than 500 people have died in this colony," said a young doctor who said he had worked in the area since the accident. "This is the worst hit because the wind was blowing in this direction and carrying the gas."

At Jayaprakash Nagar and elsewhere, cranes hoisted the bloated carcasses of buffaloes from the roads and dumped them on pickup trucks for disposal elsewhere.

Thousands of stores and houses were shuttered and empty. Officials said hundreds of families — some said thousands — had fled to safer neighborhoods or even to other towns and villages.

In Jayaprakash Nagar, Abdul Hafeez, a truck driver, said he had taken a government official studying compensation claims to his empty hut and found that thieves had broken in. His money, jewelry and even his land title deed were gone.

Mr. Hafeez's eyes were red from weeping and from the effects of the gas. He had been able to flee with two children, but two others and his wife perished as the fumes swept through the shantytown.

Syed Raisuddin, who worked as a temporary laborer at the Union Carbide factory, said he and his wife and four children had fled from Jayaprakash Nagar by train to a village 20 miles away on the morning of the accident, and he had left his family there.

Death Toll Reaches 1,267 in Indian Gas Disaster

(Continued from Page 1)

police superintendent, was quoted as saying. However, the two workers, who are being sought by police,

were described as unskilled laborers and Mr. Tiwari said that the entire management of the plant was being held responsible, "because they should have posted more responsible people there."

Five supervisory employees at the plant, including the works man-

ager and assistant works manager, have been arrested on negligence charges.

Arjun Singh, chief minister of Madhya Pradesh state, of which Bhopal is the capital, said the official death toll was raised to 1,267 from 706 on the basis of reports submitted by authorities who visited the city's mortuary and cremation grounds.

United News said its investiga-

tion confirmed more than 1,400 deaths. It said there were unofficial estimates that 2,000 had died because of the leak.

Thursday, about 500 residents of a poor neighborhood near the plant marched to the chief minister's residence to protest what they said was inadequate relief for the victims.

Their leader, a city councilman, Sumir Khan, said that more than

4,000 residents of the neighborhood were affected by the gas. He said that some residents had been without food since Monday.

Technical experts were investigating the cause of the leak, from an underground storage tank. Company officials said a valve broke as pressure rose inside the tank. The pressure was so great, the officials said, that the gas escaped without being neutralized by chemical "scrubbers." Investigators

were trying to determine why the pressure was allowed to build. Mr. Anderson, the Union Carbide chairman, met in Bombay on Thursday with Keshub Mahindra, chairman Union Carbide India Ltd., who said compensation for victims was being discussed. Mr. Anderson would not talk with reporters.

Company Gives Explanation

Thomas J. Luck of The New York Times reported earlier from Danbury, Connecticut: Union Carbide said Wednesday that it had been making chemicals in Bhopal for more than 15 years and that the site of plant where the gas leaked had been selected at a time when the surrounding area was much less densely populated. "There are not many places in India that are devoid of people," said Jackson B. Browning, the company's director of health, safety and environmental affairs. He added that many of the thousands of people who were killed and injured by the gas leak had settled near the plant because of "a tendency in India for people to gravitate toward commercial activity, even a chemical plant."

Mr. Reagan also said he was "willing to lead the charge — to go to the people," Mr. Speakes said. The White House also said that Mr. Reagan had discussed with the Republicans the possibility that all top government officials, including the president, his political appointees and Congress, take a 10-percent pay cut. Mr. Speakes said the Mr. Reagan would be willing to accept such a cut in his annual \$200,000 salary if the others did.

Mr. Reagan seeks to hold overall spending on government programs in 1986 to the 1985 level of \$830 billion. Interest costs, which cannot be reduced except by cutting the deficit or lowering interest rates, will total about \$154 billion in 1986, driving total federal spending up to \$988 billion.

Overall, the proposal that Mr. Reagan gave his cabinet would save \$34 billion in fiscal 1986, \$60 billion in 1987 and \$75 billion in 1988. This would still be significantly short of his goal of cutting the deficit in half, to \$100 billion, by fiscal 1988.

Further savings are expected to come from the Defense Department, but Mr. Reagan has yet to decide how much.

Source said, however, that the key military-spending issue is whether to adopt the plan by the budget director, David A. Stockman, that would essentially freeze spending authority for the Pentagon at this year's levels. It would save \$8 billion in fiscal 1986, \$20 billion in 1987 and \$30 billion in 1988.

Defense Secretary Casper W. Weinberger is expected to argue especially against the reductions for 1987 and 1988 when he returns from Europe next week, officials said. They said he was not likely to argue strenuously against the \$8-billion proposed for fiscal 1986.

Some of the spending reductions under discussion are cuts in absolute dollars from year to year; others are simply cuts in the rates of growth that would occur in programs absent some action by the president and Congress.

The administration now estimates that the fiscal 1986 deficit will be about \$210 billion, up from an estimate of \$174 billion several months ago. Mr. Reagan's aim is to trim \$42 billion from this for a deficit next year of about \$170 billion.

The recent slowing of the economy has complicated budget-cutting by reducing federal revenues and increasing the deficit. Treasury Secretary Donald T. Regan said Wednesday that the slowdown had resulted in a net revenue loss of \$9 billion in the third quarter of the current fiscal year and is expected to produce a \$14-billion revenue falloff in the final quarter.

what form any reorganization should take. He said he strongly supports continued CIA aid to the insurgents fighting the Sandinista government in Nicaragua but believes that Congress will not approve such aid. He said he believed that the administration was following a wise course in Central America.

"I think we have to do anything we can," he said. "That's the one place I would not hesitate to send troops."

Reagan to Seek MX Funding President Reagan "feels strongly about funding" the MX missile, a White House spokesman, Bob Simms, said in response to Senator Goldwater's comments, United Press International reported Thursday. "We will be working with Congress on how to fulfill the funding," Mr. Simms said.

The incoming Senate Republican leader, Robert J. Dole of Kansas, said after a Republican leadership meeting at the White House, "I don't agree," with Mr. Goldwater's views on the MX.

WORLD BRIEFS

Sri Lankan Tamils Reported to Kill 17

ANURADHAPURA, Sri Lanka (AP) — Tamil extremists reportedly massacred 17 bus passengers near this ancient Buddhist city, and district authorities were put on "emergency footing" to head off more guerrilla attacks in northern Sri Lanka, officials said Thursday.

Curfews were imposed in the capital, Colombo, and four other cities to prevent a backlash against the minority Tamil community. Security forces were ordered to shoot any troublemakers on sight.

Tamil guerrillas, who are fighting for an independent state in the north and east of the Sinhalese-dominated country, burned 16 Sinhalese and one Moslem alive in a bus near Chaddikulam, about 35 miles (56 kilometers) northwest of here, district officials said. Officials in Colombo could not confirm the attack.

Soweto Mayor-Elect Is Assassinated

SOWETO, South Africa (UPI) — An unidentified gunman on Thursday shot and killed Edward Manyosi, a leading politician and the mayor-elect of the black city of Soweto, outside Johannesburg, the police said.

The Soweto police chief, J.J. Viktor, said that Mr. Manyosi was shot from a car early Thursday morning after a caucus meeting of the dominant Sefako Party.

The party decided to elect Mr. Manyosi as mayor on Thursday, deposing Ephraim Tshabalala, a businessman who has been under pressure to resign over the alleged mishandling of the Soweto council.

Solidarity Leader Is Given Amnesty

WARSAW (Reuters) — Eugeniusz Szumiejski, an underground leader of the Solidarity trade union, surrendered Thursday to police under Poland's political amnesty and was freed after being questioned about 30 minutes, legal sources said.

The opposition activist, who had lived in hiding since martial law was declared and Solidarity was banned in 1982, announced his resignation from the five-man underground leadership last month for personal reasons. Sources said he came out of hiding partly because his father was dying of cancer and because of pressures on his family.

He is the highest-ranking member of the underground to accept the government's offer of an amnesty since Wladyslaw Harezek surrendered in September 1983. There was no suggestion that Mr. Szumiejski had changed his opinions. After his decision to quit, his work on behalf of Solidarity was praised by Lech Walesa, the union's leader.

Britain Will Not Sign Law of Sea Pact

LONDON (Reuters) — Britain announced Thursday it would not sign the 1982 Law of the Sea convention, but would not oppose signature by the European Community.

The decision follows an identical stand taken by West Germany last month and clears the way for the community to sign the convention by the Sunday deadline. It also is in line with the position taken by the United States, which objects to rules in the convention putting seabed mining of minerals under an international authority.

Most of the 10 EC members already have signed the treaty or announced they will do so.

For the Record

A 23-year-old East German soldier from an elite patrol unit defected across the heavily fortified Communist border to West Germany, the Federal Border Guard reported Thursday in Fulda.

The trial of six Yugoslavian intellectuals for political crimes resumed Thursday after a recess of nearly three weeks, it was reported in Belgrade. The six are charged with conspiracy hostile to the state and other political offenses.

Correction

The name of the new chief representative in London of Bank Negara Indonesia 1946 was misspelled in Wednesday's Business People column because of an editing error. The representative's name is I. Wayan Tantra.

Republicans in Congress Urge Reagan to Make Defense Cuts

(Continued from Page 1)

ment, but Mr. Reagan has yet to decide how much. Source said, however, that the key military-spending issue is whether to adopt the plan by the budget director, David A. Stockman, that would essentially freeze spending authority for the Pentagon at this year's levels. It would save \$8 billion in fiscal 1986, \$20 billion in 1987 and \$30 billion in 1988.

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Goldwater Asks Costs Freeze

(Continued from Page 1)

manship of the Armed Services Committee, Mr. Goldwater will have to give up his chairmanship of the Select Committee on Intelligence. His tenure there left him with no fondness for that panel, however.

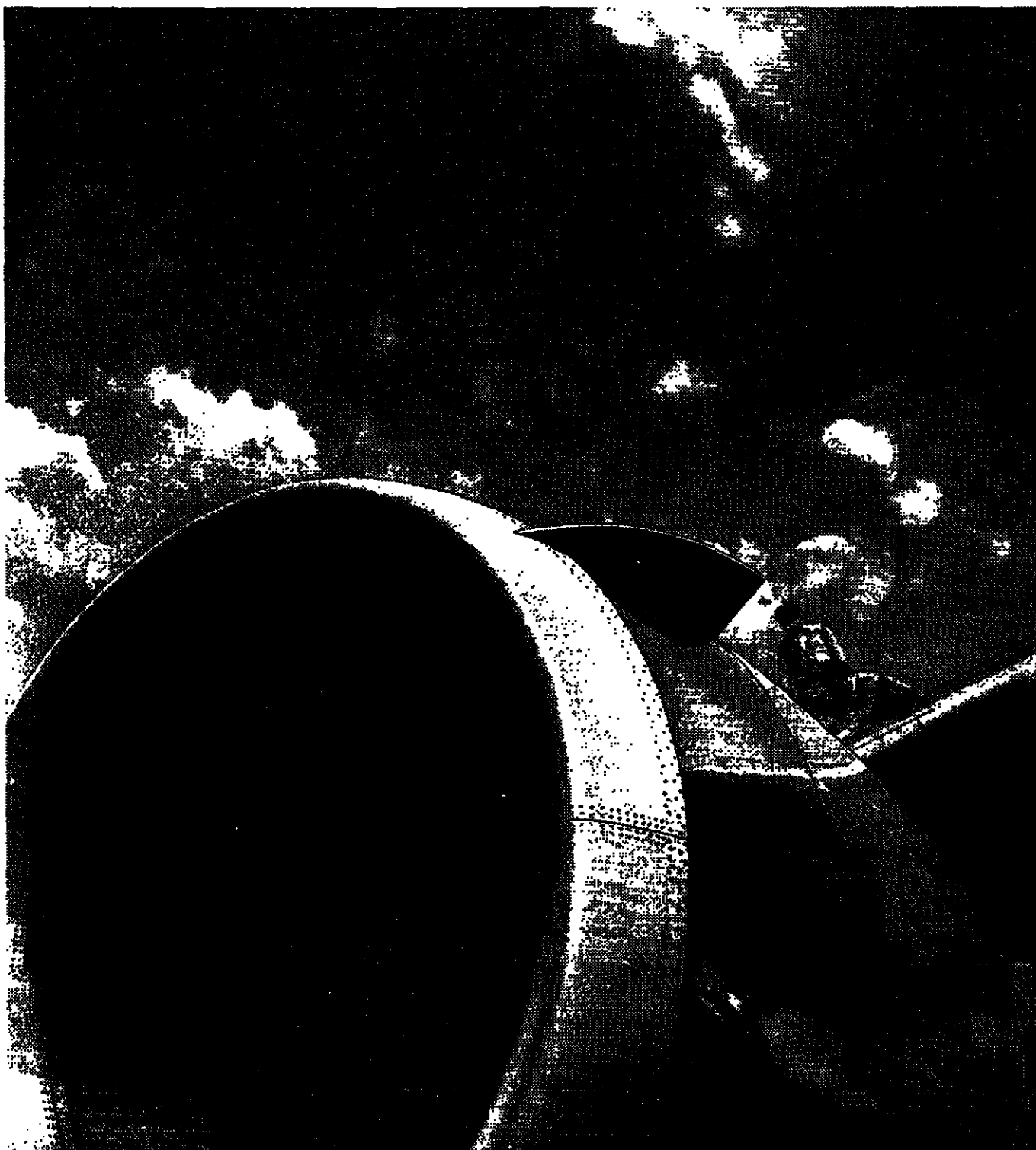
"I think the intelligence people should be left alone," he said. He added that he believes the intelligence oversight committees in the House and Senate should be scrapped or, at the least, merged into one joint committee.

The Senate Armed Services Committee traditionally has been the Pentagon's best friend in the legislature, but some officials believe that its character is changing. Mr. Tower's resignation and the death in 1983 of the committee's ranking Democrat, Senator Henry M. Jackson of Washington, deprived the panel of two of its staunchest and most conservative voices.

The panel agreed last year to re-examine the issue of Pentagon reorganization. Mr. Goldwater said he believed that change is needed in the way the Defense Department operates, but said he does not know

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U.S. Army Performed Germ Test on Air Travelers

By Ken Ringle
Washington Post Service

WASHINGTON — U.S. Army agents carrying suitcase atomizers sprayed unsuspecting travelers at Washington's National Airport with common bacteria 20 years ago, in an experiment designed to gauge the nation's vulnerability to an enemy-launched epidemic of smallpox, declassified documents revealed this week.

The experiment, one of a series first made public in 1977, was part of the army's highly secret biological warfare research conducted from 1943 to 1971 at Fort Detrick, Maryland. A microbiologist said Tuesday that the experiment may have been more potentially harmful to those sprayed than scientists realized at the time.

The bacteria used in the experiment, bacillus subtilis, "is in the air all around us and won't harm a healthy person," said Dr. Arthur Szaz, professor of microbiology at the Georgetown University Medical Center.

But in infirm or elderly persons, whose immune system is impaired, heavy concentrations of the "opportunistic" micro-organisms can produce potentially complicating infections, Dr. Szaz said. "We know more about such substances now. You

couldn't do such an experiment legally today."

Dr. Szaz was questioned about the experiment after the Church of Scientology released government documents this week detailing experiments mentioned only sketchily in testimony during intelligence oversight committee investigations in Congress seven years ago.

Sylvia Stanard, a spokeswoman for the Scientologists, said the organization obtained the documents under the Freedom of Information Act two years ago and had been studying them ever since.

She said the material was sent to the House Subcommittee on Investigations and the House Committee on Science and Technology after the army recently requested funds to expand its biological warfare defense facilities at Dugway Proving Ground in Utah.

The Scientologists released with the documents a publication from the Society for General Microbiology, identifying the sprayed substance as a newly suspected agent in food poisoning and operating-room infections.

Both the United States and the Soviet Union signed a 1972 treaty banning biological weapons, but research continues on

both sides. The Russians are reported to have used poison gas or chemicals in the war in Afghanistan.

"The Pentagon says it is only interested in defensive studies at Dugway," Ms. Stanard said, "but this was a defensive study at Washington National and it may have been harmful. We don't want innocent people being used as guinea pigs."

An army spokesman said Tuesday that the tests in question were fully listed in a two-volume report released in February 1977 and declined further comment, saying there were "no new developments to report."

Declassified documents made public in the mid-1970s disclosed that the army and the Central Intelligence Agency triggered mock epidemics during the 1960s by spraying such targets as Chicago and New York subway passengers, and even conducted a mock assassination of President Richard M. Nixon with germs introduced into the White House air conditioning system.

Details on the "attacks," however, have been few.

The army's Miscellaneous Publication 7, from Fort Detrick, which the Scientologists obtained, sought to prove how relatively simply an enemy agent might scatter smallpox through the United States with

less than an hour's work in an urban airport.

Using five aerosol generators housed in suitcases and an equal number of disguised air samplers, the agents sprayed bacteria in the north terminal at National Airport and then tested various locations in the terminal for effective dispersal of the germ.

"It is emphasized that the five trials, including the sampling procedures, were completed without challenge or question," the document states. "No terminal employee, passenger or visitor gave any outward indication of suspicion that something unusual was taking place."

Outbound passengers would carry the germs throughout the country, the document says, and "numerous secondary cases of smallpox could be expected from extensive exposure of people to the primary cases before diagnosis was made."

The document, whose authenticity was not challenged by the U.S. Department of Defense, reports a similar experiment at the District Greyhound bus terminal in Washington, and paints similar scenarios for simulated attacks at bus stations in Chicago and San Francisco, although it was unclear whether any sprays in those cities actually took place.

Panel Will Probe Leak Of Ferraro Reprimand

New York Times Service

WASHINGTON — The House ethics committee has voted unanimously to investigate how the findings of its report on Representative Geraldine A. Ferraro were disclosed to a Washington newspaper and a national news service before its official release.

The chairman of the panel, Representative Louis Stokes, a Democrat of Ohio, said Wednesday that the confidentiality of the committee's proceedings had been violated.

An article in the Tuesday issue of The Washington Times said that Mrs. Ferraro, the defeated Democratic vice-presidential candidate, had received a "technical reprimand" from the committee.

The panel's report, released later Tuesday, said the representative, from the Queens borough of New York City, was only in technical violation of the Ethics in Government Act in her financial disclosure forms.

According to a congressional aide familiar with the inquiry, the 12 members of the committee — 6 Republicans and 6 Democrats — voted secretly, 10-2, to adopt the findings of its staff, with two Republicans advocating sterner action.

The committee said Mrs. Ferraro had benefited from the financial interests of her husband, John A. Zaccaro, and was thus wrong to claim an exemption that allows government officials not to disclose a spouse's financial dealings on the required forms.

Aside from The Washington Times account, the Scripps-Howard News Service reported some of the committee's findings Monday night, but correctly described the finding of a technical violation.

After the panel's vote Wednesday, a congressional aide said a



Geraldine A. Ferraro

lawyer from the General Accounting Office, an investigative arm of Congress, had begun to work on the internal inquiry.

The Washington Times reporter who wrote the Tuesday article, Thomas Brandt, said Wednesday that the article was based on information from a number of sources, including the staff of the panel.

D'Aubuisson Urges U.S. to Back Rebels In Nicaragua

By Joanne Omang
Washington Post Service

WASHINGTON — Roberto d'Aubuisson, the Salvadoran rightist leader, has urged the Reagan administration to convert its covert support for insurgents fighting Nicaragua's Sandinist government to an open program of aid.

Speaking Wednesday night at Georgetown University, Mr. d'Aubuisson said the administration "ought to make a decision clearly... Let them support the Contras," the insurgents, "but let them do it openly," Mr. d'Aubuisson said in response to a question. "Let them define their position clearly."

Mr. d'Aubuisson, a former major in El Salvador's army and an unsuccessful presidential candidate in the March elections, has been accused by some U.S. officials of having links to so-called "death squads" in his country.

Referring to those charges, he said he was "totally innocent of all that I am accused of."

Mr. d'Aubuisson said he had been demanding for four years that his accusers offer proof and that it had never been produced.

He spoke on the third day of a four-day visit to the United States, during which he has met with several media organizations and conservative organizations.

When Mr. d'Aubuisson began his lecture to about 120 Georgetown students and faculty members, about 20 persons in the audience stood and turned their backs.

Outside the auditorium, about 200 persons stood in the rain to protest Mr. d'Aubuisson's appearance. They called him an assassin and urged the United States to get out of El Salvador.

Mr. d'Aubuisson said he was pleased to see the demonstrators because "if this were Cuba or Moscow, it would not be going on."

Mr. d'Aubuisson spoke directly to the concerns of the demonstrators. "I only made one mistake in my campaign," for president, he said. "I told the truth. After that, he said, he was no longer called the leader of a democratic party, 'I was a rightist.'"

"When I said the Caribbean was



Roberto d'Aubuisson addressing students in Washington.

the goal of Soviet expansionism," he added, "then I was charged with being the leader of the death squads by the international press."

Mr. d'Aubuisson directly challenged Craig Pyles, the author of a series of articles about the death squads that was published last year in the Albuquerque Journal and the Los Angeles Times. "I would like to meet him," Mr. d'Aubuisson said. "He had details of my life I don't even know myself."

During the question period that followed, Mr. Pyles, who was in the audience, responded to Mr. d'Aubuisson's assertion that they had never met. Mr. d'Aubuisson then admitted that they had met, and said that Mr. Pyles had "become part of the conspiracy" against him.

"He sneaked in among us as a friend," Mr. d'Aubuisson said. "He lived it up with friends of ours in El Salvador, and for money he went to print his story. He is the one who says he has the proof. Let him show it and present it to a judge."

Westmoreland Lawyer Queries CBS Producer

By M.A. Farber
New York Times Service

NEW YORK — Beginning a new phase of their legal war, General William C. Westmoreland has called to the stand as a "hostile witness" the CBS producer who was chiefly responsible for the 1982 documentary on Vietnam that prompted the general's \$120-million libel suit.

George Crile, 39, the producer who is a co-defendant with CBS and others, began testifying late Wednesday as the first of a half-dozen CBS employees the plaintiff will call in an effort to show the network knew or should have known it was falsely accusing the general of conspiring to deceive his superiors about enemy troop strength in South Vietnam in 1967.

Mr. Crile, General Westmoreland's principal attorney, opened his examination of Mr. Crile by suggesting that, in 1980, the producer was "actively inexperienced," had been criticized for some of his earlier work at CBS and was under pressure from his superiors at CBS to find a project he could undertake without the assistance of a co-producer.

Mr. Crile said he approached all his work professionally.

"I always made an effort to be as careful as I could be and to be as faithful to events as was possible," he said. He said it was the job of his superiors to "complain" about the work of all the CBS producers who carried out projects for them.

For nine weeks, the jury in U.S. District Court in Manhattan has listened to the testimony of 16 witnesses from the military, civilian intelligence agencies and the White House of President Lyndon B. Johnson. All of them have focused on the question of whether the charges contained in the documentary were true.

The importance of what CBS knew when it put the documentary together was underscored Tuesday by David Boies, the lawyer for the network, just after General Westmoreland completed nine days of testimony.

In a brief interim summation to the jury — an unusual feature of this trial permitted by Judge Pierre N. Leval — Mr. Boies told the jury that "to prevail" in the suit, the general "must prove not only that the broadcast was false — and we think he has failed to do that, and, indeed, we think that the witnesses that will come on throughout this trial will demonstrate that it was true."

"But, aside from that issue, he must prove that CBS, at the time the broadcast was put on, knew

that the broadcast was false or was reckless about it," Mr. Boies said.

Mr. Burt, in his own interim summation, said the witnesses who preceded Mr. Crile had established that "the CBS broadcast was untrue" and that any other conclusion was "simply ridiculous."

The CBS broadcast alleged a "conspiracy" by his command in Vietnam to "suppress and alter critical intelligence on the enemy" in the year before the Tet offensive of January 1968.

The purpose of the "conspiracy," according to the documentary, was to minimize North Vietnamese and Vietcong strength to show that the United States was winning the war.

Mr. Burt brought out that, in 1980, Mr. Crile was criticized for a documentary he co-produced called "Gay Power, Gay Politics," a study of the political power exercised by homosexuals during a San Francisco mayoralty campaign in 1979.

In the fall of 1980, Mr. Crile said, he proposed the documentary on Vietnam to CBS, based largely on the "rather extraordinary research" of Samuel A. Adams, 51, a former Central Intelligence Agency analyst who served as a paid consultant to the network and who is also a defendant in the case.

Reagan Diversifies Arms Talks Team

Officials Hope for Quick Response to Gromyko's Ideas

By Don Oberdorfer
Washington Post Service

WASHINGTON — President Ronald Reagan will send a team of arms-control officials who have previously tangled among themselves to the U.S.-Soviet arms talks in Geneva next month, administration sources said Wednesday.

The idea, according to the sources, is to make it possible for Secretary of State George P. Shultz to obtain quick interagency action on ideas that may be proposed by the Soviet foreign minister, Andrei A. Gromyko.

Joining Mr. Shultz in the meeting with Mr. Gromyko will be a veteran negotiator, Paul H. Nitze, who was formally appointed Wednesday as a special adviser to Mr. Shultz for the Geneva talks.

The other experts may not be in the Shultz-Gromyko sessions, which are to be conducted by only a very small group on each side, said a State Department source.

Those who are being invited to go to Geneva for the Jan. 7-8 sessions are members of a special White House-sponsored, arms-control policy group chaired by the national security adviser, Robert C. McFarlane. It is unlikely that Mr. McFarlane himself will attend, an official said.

However, the group is to include Richard R. Burt, assistant secretary of state for European affairs, and Richard N. Perle, assistant secretary of defense, who are known for their often contending views and their influence over Reagan administration policy toward the Soviet Union.

The others, officials said, are expected to include Kenneth L. Adelman, director of the Arms Control



Richard R. Burt



Richard N. Perle

and Disarmament Agency; General Edward L. Rowley, U.S. negotiator in the strategic arms talks; General John Chalm, State Department director of political-military affairs; Ronald F. Lehman, a specialist on arms control on the National Security Council; and a representative of the Central Intelligence Agency.

Pravda Assails NATO

Pravda criticized NATO countries on Thursday for stockpiling conventional weapons in the nuclear age and reiterated Moscow's calls for "radical solutions" to the arms race. The Associated Press reported from Moscow.

The front-page editorial in the Soviet newspaper was the latest in a series of official statements that have promoted arms control and détente since the announcement Nov. 22 of new arms-control talks in Geneva.

Under the headline "For peace on earth," the editorial said the talks were the result of a request by the Soviet government to the United States and thus a continuation of Moscow's longstanding calls for peace and better superpower relations.

It repeated frequent Soviet statements that limiting the arms race now depends on Washington.

"In recent time, there has been no lack of peace-loving statements in Washington," Pravda said. "If the American administration is really ready to put concrete action into these statements, the Soviet side is ready."

"The Soviet Union is ready to look for radical solutions that would help to advance toward the complete banning and, in the final result, the liquidation of nuclear arms," it added.

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Israeli, French Leaders Discuss Syrian Position On Lebanon Pullout

PARIS — Prime Minister Shimon Peres of Israel and President François Mitterrand discussed Syrian views on an Israeli withdrawal from southern Lebanon on Thursday, a French spokesman said.

Mr. Peres made no statement after the luncheon meeting at the Elysée presidential palace and French officials said initially they had nothing to report.

But several hours later, the French presidential spokesman, Michel Vauzelle, broke the unusual silence surrounding the talks to disclose details of top-level contacts with Syria.

He said that Mr. Peres had sent Mr. Mitterrand a letter on the question shortly before the French leader flew to Damascus last week for talks with President Hafez al-Assad.

He said that Mr. Mitterrand briefed Mr. Peres on Syria's views but gave no further details.

Mr. Peres said in a recent interview that he was seeking a "political arrangement" with Syria, estimated to have 40,000 troops deployed elsewhere in Lebanon, on the withdrawal.

France has indicated it would be prepared to provide more troops for a United Nations force in the region to facilitate the pullout.

On the broader Arab-Israeli conflict, Mr. Mitterrand also has conferred with King Hussein of Jordan and President Hosni Mubarak of Egypt over the past few months.

The Israeli leader welcomed these contacts in a speech on Wednesday, saying that they could help France play a constructive role in the quest for peace.

"I am convinced that if France is

ready to do so, it can help us in our search for a bridge over which the two peoples, Israeli and Arab, can meet in peace," Mr. Peres said.

Arab leaders are calling for an international conference under UN auspices that would group all the parties concerned, including the Palestine Liberation Organization.

But Israel refuses to negotiate with the PLO and insists that the only realistic approach is to hold direct talks with its Arab neighbors.

Hussein Criticism

King Hussein said in London on Thursday that Israel's policy was beginning to resemble Iran's in that its goal was to break up Arab territories and impose its own hegemony. The Associated Press reported.

Hussein warned that unless Israeli policy changed, "an explosive situation" would develop.

He made his remarks in a lecture to the Royal United Services Institute for Defense Studies.

Hussein said that Israel's policy in invading Lebanon and its rule of the occupied West Bank and Gaza Strip were designed to leave "every Arab state like Lebanon in disarray."

He said that Arabs in Israeli-occupied territory "face virtual slavery under an Israeli apartheid system. Their expulsion, on the other hand, will destabilize the politics not simply of the neighboring states but of the whole Arab world."

Hussein said that Iran and Israel saw the breakup of the present territorial states of the Arab world as a prerequisite for their own hegemony over the whole region.



Prime Minister Shimon Peres of Israel, left, and President François Mitterrand at the Elysée Palace on Thursday.

Shamir Says Egypt, Jordan Must Choose PLO or Peace

Los Angeles Times Service

JERUSALEM — Egypt and Jordan must choose between support for the Palestine Liberation Organization and peace with Israel, Foreign Minister Yitzhak Shamir has told the parliament.

"The two are incompatible," he said in the course of a review Wednesday of peace prospects for the Middle East. The review followed a session last month in Amman of the Palestine National Council and a meeting earlier this week between King Hussein of Jordan and President Hosni Mubarak of Egypt.

Mr. Shamir, who is also deputy prime minister, called it a "vain dream and a dangerous illusion" for Jordan to think that Israel would return to its 1949 borders in exchange for peace. Israel has occupied former Jordanian territory on the West Bank of the Jordan River since the 1967 Middle East war.

The former prime minister is head of the Likud political bloc, which takes a harder line on Israeli foreign policy than the Labor alignment of Prime Minister Shimon Peres. The rival blocs joined in a national unity government in

September after indecisive parliamentary elections.

Mr. Peres left for a state visit to France hours before Mr. Shamir addressed the Knesset.

A communiqué at the end of the talks by Hussein and Mr. Mubarak angered some Israeli officials who saw it as a repudiation of the 1978 Camp David agreement. The agreement formed the foundation for the subsequent Egyptian-Israeli peace treaty and is the only basis that Mr. Shamir's Likud bloc recognizes for further negotiations. The Camp David accord makes no mention of the PLO.

The Knesset session was called to debate the Palestinian meeting, in which some Israelis said they saw evidence of greater PLO moderation and a possible opening for peace. However, Mr. Shamir argued that while the PLO may have changed its tactics, its goal remains the same.

"The organization called the PLO and the forum connected to it, known as the Palestine National Council, are not worthy of the Knesset's consideration," Mr. Shamir said, "and the deliberations concerning them, their deeds, and their decisions are beneath the dignity of this house."

Turkey's Ozal Still Plans Full Membership in EC

Reuters

ANKARA — Prime Minister Turgut Ozal of Turkey says that negotiations on full Turkish membership in the European Community would be difficult but that he will not be deterred from the goal.

Mr. Ozal, when asked Wednesday if a Turkish application to join the EC were imminent, said, "We will see next year." He added: "We are not afraid to make an application but the other members of the Common Market are afraid we are going to."

The Turkish prime minister was quoted last weekend as saying the time had come for Turkey to seek full membership. It is now an associate member.

But ties between Turkey and Brussels have been strained by EC doubts that Turkey has returned fully to democracy after the 1980 military coup. As a result the EC has blocked financial aid to the country.

Mr. Ozal accused the EC of not easing these strains out of fear that Turkey would apply for full membership.

Diplomatic sources say that EC officials think that both sides would face major adjustment problems if Turkey joined, particularly following the scheduled accession to the community of Spain and Portugal in 1986.

However, Mr. Ozal said that if Turkey joined it would not need a long period of adjustment to community industrial prices and agricultural support levels.

The EC plans a transition period of 10 years for Spain and Portugal. "I can do it in five," Mr. Ozal said.

Asked whether membership could conflict with Turkey's desire for closer relations with other Islamic countries, Mr. Ozal said: "Turkey is a bridge between the Islamic world and the Western world. A useful bridge for both sides."

Mr. Ozal, 57, was elected a year ago after three years of military rule. In the elections, only three political parties were allowed and hundreds of politicians were not allowed to take part.

Local elections and opinion polls



Turgut Ozal

this year have shown that his Motherland Party retains more support than other parties. But the prime minister ruled out early elections in which all parties could compete.

Mr. Ozal said that foreign criticism of mass trials of trade unionists, disarmament campaigners and intellectuals who petitioned for democracy stemmed from a failure to understand the turmoil in Turkey before the coup.

Talks at UN On Cyprus Show Signs Of Progress

Reuters

ATHENS — President Spyros Kyprianou of Cyprus met Thursday with President Constantine Caramezidis to discuss moves to settle the Cyprus situation and signs of progress in UN talks over how to divide the territory in a government of Cypriot Greeks and Turks.

The UN talks, in which Mr. Kyprianou and Rauf Denktaş, the Turkish Cypriot leader, have been holding separate meetings with the UN secretary-general, Javier Pérez de Cuéllar, are to resume Saturday after a 10-day break.

Cyprus has been divided since Turkey invaded and occupied the northern part of the island in 1974 after an abortive coup organized by the military junta that ruled Greece then. The talks are aimed at setting up a bi-communal federal state.

Diplomats in Athens said Mr. Denktaş had reduced the proportion of the island that he wants to keep under Turkish Cypriot control in a federal arrangement.

They said he now wanted only 30 percent, or perhaps as little as 28 percent, of Cyprus to be in the Turkish Cypriot zone, compared with about 37 percent that is under Turkish control now. Turkish Cypriots accounted for about 18 percent of Cyprus' population in 1974.

Diplomats now expect the emphasis of the UN talks, which started in September, to switch to constitutional arrangements in a federal Cyprus.

A two-chamber Cypriot parliament has been proposed, with Turkish Cypriots holding 30 percent of the seats in the lower house and 50 percent in the upper house. But the two sides have yet to decide the powers of each house and the extent of any Turkish Cypriot veto.

Greek and Greek Cypriot officials have made virtually no comment on the talks since they went unexpectedly into recess last week and President Kyprianou flew back to Cyprus for consultation.

Mr. Kyprianou, a centrist, faces pressure from conservative and Communist politicians in Cyprus to show flexibility and from the minority Cypriot Socialist Party to avoid what it considers hasty concessions.

250 U.S. Soldiers in Grenada

The Associated Press

WASHINGTON — About 250 U.S. military personnel remain in Grenada as part of a program to train local police, the White House spokesman, Larry Speakes, said Wednesday.

Soviet Paper Laments Rise of Pop Music Stars

Reuters

MOSCOW — Unauthorized "underground" singers who invoke sex, death, religion and other taboo topics in Soviet culture have become stars in Soviet Central Asia, according to the daily youth newspaper Konso-molskaya Pravda.

In its Wednesday edition, the newspaper said the singers call themselves "bakhshi," a Turkmenian word for traditional Islamic bards, and make money by singing at weddings and from the sale of black-market cassette recordings.

"Over the past three to four years," the paper said, "these cassettes have appeared like mushrooms after the rain."

According to the newspaper, the local Communist youth organization had found hundreds of unauthorized cassettes in circulation and called for an official crackdown on access to recording facilities.

But, it said, with the singers able to earn as much as 2,000 rubles (\$2,500) for an appearance at a lavish Turkmenian wedding, they could well afford to continue buying recording equipment on the black market.

Lead-Free Gasoline in the EC Possible in 1989, Bonn Says

Reuters

BRUSSELS — Environment ministers of the European Community agreed Thursday that they could make lead-free gasoline available in all member states beginning in 1989, the West German interior minister, Friedrich Zimmermann, said.

But diplomats said they were unlikely to set early dates for introduction of new standards on car exhaust emissions.

They said that Italy, France and Britain strongly resisted West German demands for early regulations requiring new cars to be fitted with special devices to reduce exhaust fumes by 1989.

Lead, which is poisonous, can cause brain damage, especially in young children. Car exhaust fumes, returning to earth as acid rain, also are blamed for harming forests in

many areas of the world. Half of West Germany's trees have suffered damage.

The community's Executive Commission said it wanted new pollution standards for toxic car exhaust fumes to comply with high U.S. standards from 1995 but Bonn said the timetable was too slow.

West Germany plans to introduce an exhaust-absorbing catalytic converter by 1989 that will work only with unleaded gasoline, but the commission and most member states want to wait for simpler techniques that are still in development.

Diplomats said there was still stiff opposition from Italian, French and British car producers who argued that Bonn's plans were too costly and could harm their industry.

Ministers accepted a commission proposal that both leaded and unleaded gasoline would be marketed throughout the community from Oct. 1, 1989, the diplomats said.

Member states, such as West Germany, could make unleaded gasoline available from Jan. 1 next year, they added.

Ministers must wait before making a final decision on the introduction of lead-free gasoline until the European Parliament has given its opinion next Thursday.

Bomb Blast in North Spain

Reuters

BILBAO, Spain — A bomb exploded Wednesday night in a car parked at a railroad station in this northern Spanish city, causing damage but no injuries, the police said Thursday. The authorities said they suspected that the bomb had been planted by Basque separatists.

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"100 PCs? Could you explain to me what we should do with them?"



Results Hard to Measure In Fight Against Terror

New Programs Are Secret or Untested
And Deterrence Is Difficult to Prove

By Philip Taubman
New York Times Service

WASHINGTON — A special Defense Department commission that investigated the October 1983 bombing of the U.S. Marine barracks in Lebanon said its "most important message" was that terrorism had become "tantamount to an act of war," and that the U.S. military was ill-equipped to fight that kind of war.

Concluding that the Marine contingent in Lebanon was "not trained, organized or supported to deal effectively with the terrorist threat," the commission recommended that the secretary of defense "direct the development of doctrine, planning, organization, force structure, education and training necessary to defend against and counter terrorism."

In the 11 months since the commission, headed by a retired admiral, Robert L.J. Long, submitted its

They said the team helped in the search for Brigadier General James L. Dozier, who was held hostage by Italian terrorists until he was rescued in January 1982.

Because some of the programs are classified, the exact cost is not known, but Reagan administration officials said the government spent more than \$100 million on the projects last year.

The effectiveness of the programs is unclear, partly because many of the activities are classified, partly because some are untested and because it is difficult to know, much less prove, when a potential attack is deterred by security measures.

State Department statistics show that in 1983 U.S. citizens and property were the target of 41 percent of terrorist attacks around the world. Out of 500 attacks recorded, 205 were against the United States, according to the statistics.

The resulting casualties — 271 Americans killed, 116 wounded — far outnumbered those in any previous year. Seven Americans were killed in terrorist attacks in 1982. As of Sept. 20 this year, 9 Americans had been killed and 27 wounded in terrorist incidents. Five of those killed and 22 of those wounded this year were American diplomats.

Defense Department officials said that in response to the Long commission recommendations, military training programs had been revised to incorporate more material on terrorism and ways to defend against it. Also, field maneuvers, once limited to conventional warfare, now sometimes include drills to prepare officers and troops to deal with terrorist threats and attacks.

But, the officials said, the kind of changes recommended by the Long commission cannot be made quickly. One senior Defense Department official said: "You just can't take the army or the navy and get them to rewrite their doctrine, change their training procedures and make terrorism a major focus of their attention. These things take time."

As a result, much of the Defense Department's effort to fight terrorism has focused on special operations, or unconventional warfare, units. The number of these relatively small, specialized units has been increased and their training in counterterrorism operations has been augmented, according to Defense Department officials.

The main unit, based at Fort Bragg, was built around the Delta Force, an elite squad that was sup-



The Federal Bureau of Investigation's command center for counterterrorist operations.

posed to play the central role in rescuing the Americans held hostage in Iran in 1980. The unit never got a chance because the mission was called off when helicopters broke down in a sandstorm in the Iranian desert.

After the failure, the Delta Force, which had been controlled by the army, was made the centerpiece of a new Joint Special Operations Command at Fort Bragg.

In January, the Joint Chiefs of Staff established the Joint Special Operations Agency to provide overall planning and direction from Washington for special operations forces, including counterterrorist units. The agency will eventually have a staff of 41 officers, 10 enlisted men and 10 civilians.

The joint command at Fort Bragg coordinates the training and operations of more than 30 special operations units maintained by the military services. The Delta Force and special navy teams, totaling about 200 men, form the first line of defense against terrorism, Pentagon officials say.

Equipped with sophisticated night-vision devices, silenced weapons and other equipment to stun and disable kidnappers, hijackers and other terrorists, these units have been deployed several times to help defend U.S. installations abroad and to help rescue U.S. officials held hostage, including General Dozier, according to members of Congress and Defense Department officials.

As the main clearinghouse for intelligence information about terrorism, the Central Intelligence Agency plays a central role in State Department and in Defense Department efforts against terrorism overseas.

Although the CIA and other intelligence agencies, including the National Security Agency and the

Defense Intelligence Agency, have devoted considerable resources to trying to improve the quality of information about terrorism, intelligence officials said, they have not produced precise warnings about attacks against U.S. installations.

The main problem, the officials said, is that the plans and activities of terrorist groups can be monitored only by infiltrating the cells that carry out operations or finding an informant already active in one. That, with very few exceptions, has been impossible, they said.

One intelligence official said, "It doesn't matter how many people you train and throw at this problem, it's just not possible to put someone inside one of these cells."

They said the United States suffered a serious setback in Lebanon when the Palestine Liberation Organization was forced out of the country during the Israeli invasion in 1982. Some PLO leaders and fighters, they said, had provided extensive and reliable information about terrorist activities in the Middle East.

Lacking inside information about terrorist groups, the CIA has tried to analyze the hundreds of terrorist threats made against the United States and to make sure the information reaches the State Department and Defense Department quickly.

The CIA has created a new office to track general developments in terrorism. It also has created teams to advise foreign governments and security services about fighting terrorism.

In addition, the agency has tried to work more closely with foreign intelligence services, exchanging information with intelligence agencies in Britain, France, West Germany, Italy, Israel and other countries, many of which have better

sources of information than the United States does, administration officials said.

Using U.S. and foreign resources, the CIA concluded that a Moslem militant group in Lebanon known as Hezbollah, or the Party of God, was responsible for the September bombing of the U.S. Embassy annex in Beirut.

Intelligence officials said that the information, including the identities of leaders, was precise enough to provide the basis for retaliation.

Before breaking up a Puerto Rican terrorist cell in Chicago recently, the FBI was able to observe activities in the group's safe house through a closed-circuit television camera that had been installed secretly in the building.

That kind of penetration and the intelligence that was produced by it account in part for the lack of major terrorist attacks in the United States, said Oliver B. Revell, assistant director of the FBI in charge of the Criminal Investigative Division.

Mr. Revell, a 20-year FBI veteran who is responsible for directing federal counterterrorist activities in the United States, said the agency had been relatively successful in collecting information about terrorist groups.

Many of the things the CIA has had great difficulty doing overseas — developing informants, monitoring the movements of suspected terrorists, wiretapping their phones — can be done relatively easily by the FBI because the activities are sanctioned by the government.

Although civil liberties groups have questioned some of the techniques used by the FBI, Mr. Revell said the investigative measures had given the bureau an effective way to anticipate and prevent terrorist attacks.

Ethiopian Camp Is 'Critically Short' Of Food for 40,000, Relief Aide Says

By Clifford D. May
New York Times Service

ADDIS ABABA, Ethiopia — Korem, the site of Ethiopia's largest camp for famine victims, is now "critically short of food," according to a relief official.

The official, Catherine Damesin, of the French organization Médecins sans Frontières (Doctors Without Borders), returned here Tuesday from Korem and said the camp had not had a food delivery in two weeks.

"They are beginning to go through their stocks," Miss Damesin said. "I can't say exactly how much is left, but it's a question of days, no more."

She added that there had been no indication of when the next delivery might arrive. The shortage at Korem, which holds about 40,000 famine refugees, follows warnings by Ethiopian government officials of a "December gap" in food shipments to this country.

In response, the United States and other donors have pledged to rush tens of thousands of tons of grain to Ethiopia early in December. Last week a group of U.S. congressmen said at the end of their visit to Ethiopia that such deliveries would cover the shortage. Ethiopia's commissioner of relief and rehabilitation, Dawit Wolde Giorgis, contradicted that assertion immediately.

Western diplomats say that while there may be little or no food on the docks or at the airports, there should be enough in storage to meet immediate needs and that further shipments are due to arrive within days.

Officials of Britain's air force said they had been flying supplies into Addis Ababa, the airport nearest Korem. Other travelers recently returning from the north of Ethiopia said they had seen food delivery trucks on the road.

There are more than a hundred camps and feeding centers in Ethiopia providing food for close to a million people. Miss Damesin said the death rate at Korem was "not so bad," about 30 a day, down from a peak of about 50 a day two weeks ago.

28 Killed in Peru Fighting

Reuters

LIMA — Twenty-eight persons, including three policemen, have been killed in a new offensive by Shining Path guerrillas, state television has reported. It said 22 rebels died in an abortive attack on a military camp near Huanta and that 3 policemen and 3 civilians died in another attack on a post near Iribamba. The broadcast gave no dates for the fighting.

Without new food deliveries soon, she added, that rate would climb rapidly. The worst death rate in the country is reportedly at Bati, a camp of about 25,000 where over the weekend more than 120 people were dying each day.

"The main reason for that is the state of the people coming into the camp," said Myles Harris, a Red Cross physician who has been working at Bati.

"They've been coming in from greater distance, fatigued and sick and very vulnerable," Mr. Harris said, adding that food was still sufficient at Bati.

According to United Nations figures, 358,000 short tons (325,000 metric) tons of grain have been pledged to Ethiopia. About two-thirds of that is to come from the United States.

The Ethiopian authorities say they will need 1.2 million metric tons to continue emergency feeding programs for the next 12 months. It is estimated that 6.4 million Ethiopians are "in serious distress" because of the famine. Half a million of those are said to be "in immediate danger," and about 300,000 people are categorized as "most critical."



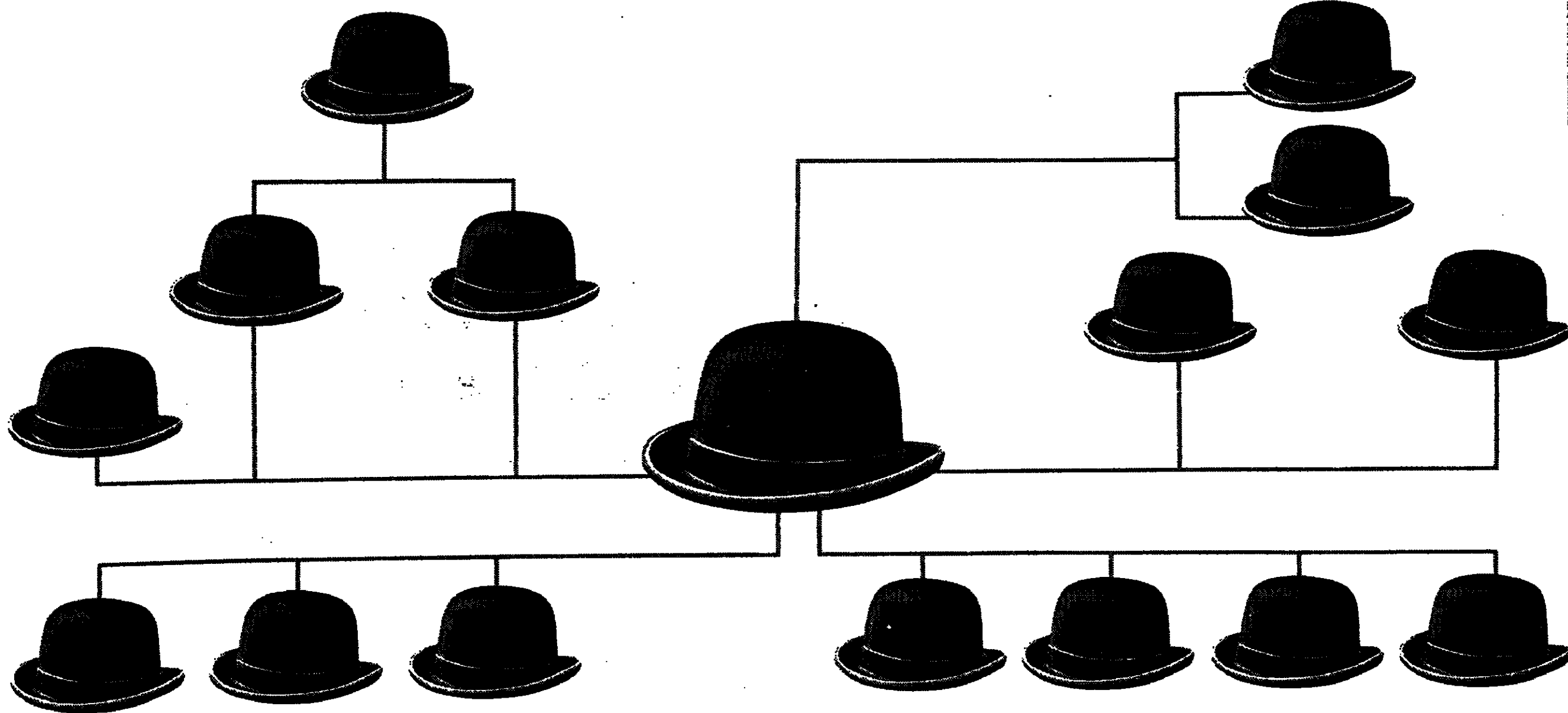
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Silent Cloud of Death

Factory fires, mine shaft collapses, progressive respiratory ailments or malignancies afflicting whole populations engaged in a particular manufacturing trade — to the classic images of industrial disaster there has been added another: the sudden, silent poisoning of huge numbers of victims who live near chemical or nuclear installations.

This is, in fact, the archetypal environmental anxiety of our time — and it seems to have been fulfilled in Bhopal, India. Its essential nightmare elements were all there: the toxic cloud that crept up suddenly while people slept, the enveloping poison that could not be fought or resisted, the pursuing cloud from which people and animals frantically sought to flee. The consequences are still being measured. Two thousand dead by unofficial count. Possibly tens of thousands injured.

Who is to blame? How can similar disasters be avoided? Numerous factors combine to produce a disaster of this magnitude, so the questions raise other questions that are, in turn, hard to answer. How adequate were the safeguards built into the plant's operations? How well-trained were the managers and workers responsible for monitoring the known dangers in the handling of the highly lethal chemicals involved? Should the government have stopped people from moving into the shantytown that grew up around the factory? Were plans made to evacuate nearby residents in case of disaster? Should the American company, Union Carbide, that owns 51 percent of the factory, bear responsibilities that would

not have applied had the owner been Indian?

There is no way short of abolishing industrial progress to remove all its attendant hazards. And halting industrial growth in developing countries such as India would deny their people the benefits of longer and healthier lives that the products of industry, such as the pesticides produced at the Bhopal plant, can bring. But companies in the United States have learned — slowly, to be sure, and not without considerable pressure from unions and government — that better industrial design and worker training can reduce risks both to workers and communities. Countries whose resources are much scarcer may be reluctant to make the added investments needed to minimize production hazards. But whatever their legal obligations, U.S. companies operating abroad should feel morally obligated to employ the same safeguards they use at home.

All of the questions that have been raised about this terrible tragedy will be painful in the answering. The first inclination of many people has been to attribute all fault either to the U.S. parent company or to its Third World partners — depending in which direction their prejudices lie. And, because so much money, and so much suffering, is involved, there is bound to be much passing of blame among the participants in the chemical venture. It will be a second tragedy if such considerations manage to prevent the kind of unsparring scrutiny the Bhopal accident requires in order to help avert its happening again.

— THE WASHINGTON POST.

Keep Pressuring UNESCO

There has been a distinct change in attitude at UNESCO since last December, when the United States gave a year's notice that it was withdrawing. But the policies that provoked the threat have not really changed. Until they do, President Reagan ought to keep up the pressure by vacating America's seat and diverting its \$30 million in dues to selected UNESCO and other global projects.

Britain has just served notice that it too plans to withdraw from the United Nations Educational, Scientific and Cultural Organization. This doubles the pressure on the agency to do in 1985 what it failed to achieve this year. It needs to abandon its preoccupation with political issues far from its purpose, issues such as disarmament, press freedom and "the rights of peoples." When it does, the United States will promptly reclaim its chair.

UNESCO's sloppy administration and spendthrift habits are a serious concern, but they should not be the main complaints. Waste has been endemic to international organizations. And prodded by congressional auditors, UNESCO has begun to set limits on budget growth and to trim some lard from its bloated bureaucracy in Paris.

Nor should it fundamentally matter whether UNESCO retains its director-general, Amadou Mahtar M'bow of Senegal. The astute but evasive Mr. M'bow is probably right when he says that most of UNESCO's 161 members support the programs the United States finds most objectionable. Getting that majority to rethink UNESCO's missions is the real goal. Founded in 1946, UNESCO initially took a

practical approach to fostering literacy, promoting research and preserving imperiled cultural monuments. But as its membership and budget ballooned, so did its sense of purpose. Even before Mr. M'bow's election, the agency became embroiled in arguments over accrediting Israel — an issue he finally helped put to rest. But having retreated from one blemish, UNESCO plunged into others. Its "new world information order" engages Western journalists in arid debates about safety of foreign correspondents — a code phrase for limiting access. UNESCO's championship of "rights of peoples" glosses over individual rights and usurps the role of the General Assembly. So does its program for disarmament studies.

These irrelevant forays consume money — a fourth of it America's — and detract from useful programs, whose value is attested by the National Academy of Sciences and the U.S. National Commission for UNESCO. President Reagan's emissary to UNESCO, Edmund Hennessey, a Mobil Corp. executive, praises the hearing he received — after the announcement of the U.S. withdrawal.

All this has persuaded some that the threat to leave was enough. But the changed atmosphere justifies the very opposite conclusion. Why not go on supporting valuable UNESCO programs individually while giving the agency another year to deal with the substance of American complaints? It was the withdrawal announcement that gave the United States its bargaining power. Take that away, and the gains of a year vanish with it.

— THE NEW YORK TIMES.

Full Circle in Grenada

The dramatic events leading up to the American intervention in Grenada in October 1983 came full circle the other day. Elections were held in the Caribbean state for the first time since 1976. The resounding winner was Sir Eric Gairy, the former prime minister whose venality and brutality had prepared the soil for the Marxist-oriented revolution that the U.S. intervention ultimately crushed.

Given the power of the United States and its role as a Caribbean arbiter, debate will continue over whether the intervention was necessary and right. In this debate, the elections should now take up an important part. The stated justification for President Reagan's assertion of power was not simply to save lives, to restore order and to keep Grenada from becoming a Cuban-Soviet satellite — a result, by the way, that the vast documentation recovered on the island demonstrated to have been a false possibility. The promise was to return to Grenada the opportunity to determine its own future in a democratic fashion.

This has now been done. It is not everything, but it is a great deal. If elections had not been held within a reasonable time, a question

would have been raised about American policy. That Grenadians chose Herbert Blaize, a supporter of the intervention, reflects well on the United States.

The result should be especially instructive to those who have trouble detecting a difference between Grenada and, say, Afghanistan, where, nearly five years after the Soviet Union intervened, citizens continue to battle the occupation and no real election is in sight.

The sequence on Grenada cheers Reagan partisans, who have indulged the overstated view that the intervention was a historic turning point. It satisfies many less excitable American students of foreign policy. But the situation on the ground is disturbing. American-supported public works projects, including the big airport, have not brought the island's economy anywhere near the point of takeoff. More than a year later, the United States has not been able to train a local security force sufficient to allow the 250 remaining U.S. military men to go home. A troubling dependency is in evidence. Special answers to the special circumstances of the Caribbean's feeble mini-states remain remote. Prime Minister-elect Blaize has a tough row to hoe.

— THE WASHINGTON POST.

FROM OUR DEC. 7 PAGES, 75 AND 50 YEARS AGO

1909: Taft Is Worried by Nicaragua

WASHINGTON — Unless General Aurelio Estrada is able in the course of a few days to defeat President Jose Santos Zelaya's forces and to drive him out of Nicaragua, President W.H. Taft will refer the Nicaraguan dispute to Congress. That body will without question authorize the President to employ the land and naval forces of the United States against Nicaragua, which is tantamount to a declaration of war, although Congress may not care to formally declare that war exists. That measures are being taken to punish Nicaragua is brought out by the fact that the United States regards with suspicion Mexico's misleading assurance of disinterestedness. Washington recently became convinced that Mexico viewed with concern what might be the policy of the United States to exercise a dominating influence over the Central American Republics.

1934: On Stein's Literary 'Ailments'

CHICAGO — Gertrude Stein's writings, according to an editorial appearing in the "Journal of the American Medical Association," may be attributed to one of four ailments. The disorders from which, it is suggested, Miss Stein may be suffering are: 1. Palladia: In which the patient repeats a phrase over and over, and less distinctly each time. 2. Verbal perseveration: Repetition of a word or phrase from an idea "persisting in the mind to the exclusion of fresh ideas." 3. Echolalia: In which the patient repeats the question instead of giving the answer. 4. Verbalization: Just plain, senseless repetition. "Those familiar with the symptoms," said the editorial, "are inclined to wonder whether or not the literary abnormalities in which she indulges represent correlated distortions of the intellect or whether the entire performance is a hoax."

Regan's Sensible Proposal

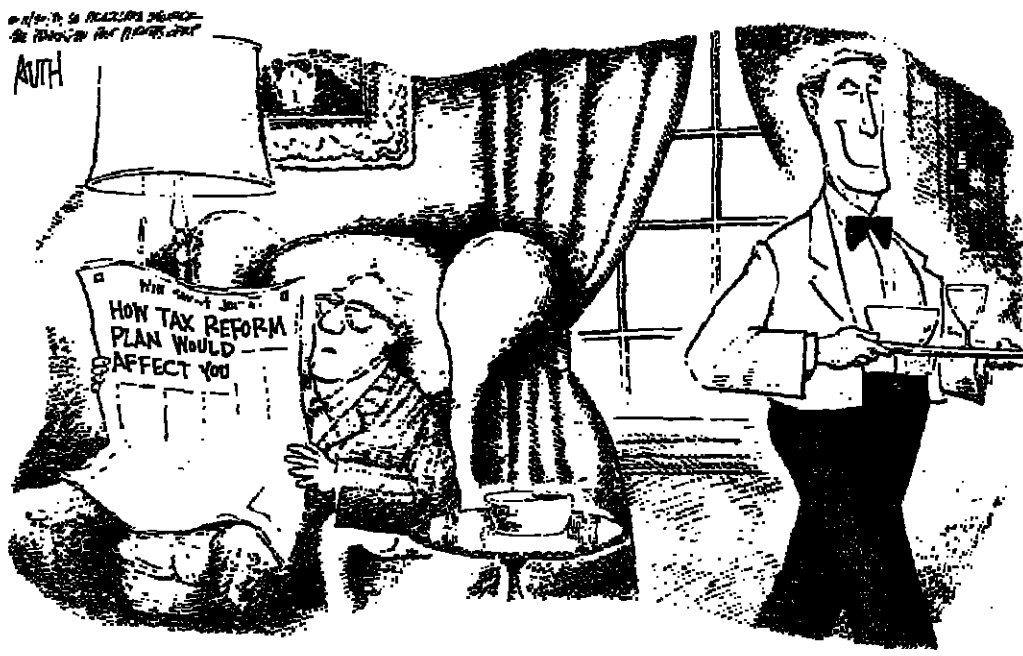
By Joseph A. Pechman

WASHINGTON — Ever since Secretary Donald T. Regan released the Treasury Department's constructive and far-reaching proposal to reform individual and corporate income taxes and reduce tax rates, the special interests have been blasting it from all sides. Business lobbyists see in it a plot to undermine their companies or industries. Labor leaders say it will hurt the wage earner. Governors are arguing that taxpayers in their states will pay billions in higher taxes. Non-profit groups think that charitable contributions will dry up, and so on. Nobody bothers to mention the basic features of the plan that make all these charges look silly.

Take the taxation of business and capital income. Today's tax system is a hodgepodge of preferences that exacts high tax payments from some companies and industries and subsidizes others. The tax shelter industry has mushroomed to take advantage of the loopholes. Investors hesitate to take long-term risks because inflation increases the burden of taxation on capital income. The results: distortions in the economy, slower growth.

All of this would be swept away by the Treasury plan. The depreciation allowances would be sufficient to permit every business to recover its investment in full, even at high inflation rates. Capital gains and interest income would be adjusted for inflation, so taxes would no longer be levied on illusory income. Half of all dividends would not be taxed at the corporate level. The corporate tax rate would be cut from 46 percent to 33 percent.

The business world would certainly be different from what it is today, but the change would be all to the good. Effective tax rates would be more uniform among dif-



"You know, Dobson, I'm not sure we like the looks of this AT ALL!"

ferent industries. Big, stodgy capital-intensive industries would no longer be favored over growing, innovative industries, particularly those in high technology. Equity financing would become more attractive relative to debt financing. Business decisions would again be made on the basis of market rather than tax considerations. Businessmen and investors should be delighted with these changes.

The elimination of some personal deductions and the exclusions for some fringe benefits will not hurt labor. To offset these changes, the personal exemption would be doubled to \$2,000, the standard deduction would be increased from \$2,300 to \$2,800 for single persons and from \$3,400 to \$3,800 for married couples, and marginal tax rates would be cut for most workers. On the average, taxes would be cut about a third for taxpayers with incomes below \$10,000, by a sixth for those with incomes between \$10,000 and \$15,000, an eighth for those between \$15,000 and \$30,000, and a tenth for those between \$30,000 and \$50,000. For all taxpayers, the average tax cut would be 8.5 percent. This is as progressive a tax cut as the 1964 tax cut was.

Governors in high-tax states are arguing that their constituents will be losing billions of dollars as a result of the denial of deductions for state and local taxes. This allegation assumes that there would be no cut in tax rates. In fact, the top federal tax rate would go down from 50 percent to 35 percent, a reduction that would still leave the top combined federal and state income tax in all states much lower than it is now. The combined rate would go down from 52.5 percent to 40 percent in a state with a top rate of 5 percent, from 55 percent to 45 percent in a state with a top rate of 10 percent, and from 57.5 percent to 50 percent in a state with a top rate of 15 percent. Taxpayers in high-tax states would pay relatively more taxes than those in low-tax states. But the average taxpayer in all states would get a tax reduction.

Nonprofit organizations are saying that the proposed 2-percent floor on the deduction for charitable contributions would discourage philanthropic giving. It is doubtful that the average taxpayer has been motivated by tax considerations in giving to his church, the Red Cross or the Girl Scouts. The new proposal retains a full deduction for the

amount of contributions above 2 percent of income, thus giving taxpayers a considerable incentive to exceed the threshold. Furthermore, the limit on charitable deductions of 50 percent of income would be lifted, a feature of the plan that would encourage wealthy taxpayers to give more to their alma maters, local opera, symphonies and museums. It is true that the reduction of the marginal tax rates would increase the price of charitable giving, but I doubt that the nation's philanthropists would wish to oppose a general cut in tax rates on this basis.

The federal tax system is unfair, inefficient and complex. There is wide agreement that something needs to be done. The Treasury's proposal is along the same lines as the Bradley-Gephardt, Kemp-Kasten and other congressional tax reform plans. There is no reason these plans cannot be reconciled.

But the steam behind the tax reform movement will evaporate if the public allows the special interests to take control of the debate.

The writer, a senior fellow at the Brookings Institution, was formerly its director of economic studies. He wrote this for The Washington Post.

Nicaragua: 'The Empire Can No Longer Make Us Bow'

By Miguel d'Escoto Brockmann

The writer is Nicaragua's foreign minister.

MANAGUA — Nicaragua feels like a Christian thrown to the lions by the Romans — after he overcame every lion, the Romans denounced him for fighting unfairly and executed him. His real crime was refusing to bow before the empire's gods and clinging to his own beliefs.

The Reagan administration has set its lions against Nicaragua. It has mined our ports, bombed our airport, attacked oil storage facilities, blown up bridges and highways. It has recruited, trained and armed more than 10,000 mercenaries and directed them in an illegal "covert" war against us. It has instructed them in murdering ("neutralizing") government officials and community leaders. More than 8,000 Nicaraguans, mostly civilians, have perished at the hands of these assassins.

To protect our population, we have been forced to obtain arms and commit our armed forces. For this, the Reagan administration denounces us. For importing arms to defend against forces set on us, we are accused of planning to invade Honduras and El Salvador, of becoming a

Soviet base, of a "massive military buildup" that "destabilizes the region." We are threatened with American military intervention, bombardment, naval blockade.

A Nicaraguan invasion of our neighbors would be insane. It would give the Reagan administration the pretext it wants to obliterate us.

Mercenaries supported by the Central Intelligence Agency have staged hit-and-run raids from Honduras for more than three years. Our troops have never pursued them into Honduras — doing so would be justified under international law — because we do not want war with Honduras or the United States. We were the first to agree to the Contadora treaty, which would have brought peace to Central America, but Washington torpedoed the treaty by pressing the other countries not to sign.

To demonstrate the absurdity of administration accusations, let us suppose Nicaragua invaded Honduras

and El Salvador and overcame not only their armies and populations but also American forces sent to their aid. We would have to establish occupation forces to administer both countries in the face of hostile populations. We would face rebellion. We would have the crushing burden of resolving both countries' severe economic problems. We have our hands full attempting to resolve ours.

The charge that we have become subservient to Moscow is absurd. Having given our lives to regain our sovereignty, would we surrender it? We accepted Contadora provisions committing us not to allow foreign military bases on our soil and to send home all foreign military advisers. Nicaragua means to stay nonaligned.

Yes, we obtain Soviet weapons. We must get from outside what we do not produce. After our revolution triumphed, we sought arms from America. Our request was denied. The Reagan administration has pressed

West European and Latin American countries to cut off arms sales to us. It is hypocrisy to close off Western sources of arms, then denounce us for getting them elsewhere.

Nicaragua's weapons are solely defensive. We buy only what we absolutely need. Every dollar spent on arms is a dollar less for food production, health care, education, housing and other basic needs.

The Reagan administration's all-out propaganda drive to convince the American people that Nicaragua is a "threat" is intended, we fear, to build a consensus for a Grenada-style invasion. The administration says this is "nonsense." But on the eve of the Grenada invasion, it said Grenada's similar worry was "preposterous."

If the administration really wants fewer arms entering Nicaragua, let it stop sending lions against us. We want to resolve all questions by direct negotiations on the basis of equality. But the empire can no longer make us bow to its gods.

If it accepts this, we will live together in peace.

The New York Times.

The Problem Is Not MiGs, It Is the Absence of Liberty

By Arturo José Cruz

The writer, a former Nicaraguan ambassador to the United States, heads Democratic Coordinator, an opposition coalition.

NEW YORK — The debate in the United States about the crisis in my country, Nicaragua, is dangerously distorted.

I have recently traveled across the country, speaking to college students, international affairs experts, labor leaders, businessmen and journalists. I was encouraged to find that the American people seem at last to grasp the importance of what is taking place in Central America. But I was also deeply troubled.

Everywhere I went, the people I spoke to seemed blindly preoccupied with military issues. Is the Reagan administration planning an invasion? Who is winning Nicaragua's civil war? Are the Sandinists importing advanced aircraft from the Soviet Union? Will the Contadora countries (Colombia, Mexico, Panama, Venezuela) deal adequately with the militarization of the region?

These questions are obviously important, but they do not address the central problem facing Nicaragua today: How can the Nicaraguan people achieve the democracy for which they have struggled so long? Until that is accomplished, there will be no peace in Central America. U.S. politicians and military strategists should have learned at least this much from the

last century of failed collaboration with Central American strongmen promising stability.

When I began my speaking tour, in mid-November, I counseled critics of the Sandinists to allow a "grace period" after the Nicaraguan election, to wait and see what would emerge. I expected the new de facto government to move in a totalitarian direction, but I feared hasty criticism from the Nicaraguan opposition and worried that the Reagan administration might make things worse by strengthening its stand against the Sandinists before the people of Central America were sure of their own attitudes. Alas, I badly underestimated the vigor with which the newly elected Nicaraguan government would proceed to repress its opponents and militarize the state.

The Sandinists are evidently determined to ignore the democratic yearnings of the Nicaraguan people. They have staged an electoral charade and refused to allow serious opponents to participate. They have begun an open buildup of Soviet arms, pressed ahead with the militarization

of Nicaraguan life and resumed their censorship of the country's only free newspaper. They also insist that negotiations with the United States and the Contadora countries can have no bearing on their treatment of the Nicaraguan opposition.

Clearly, I underestimated the Sandinists. But I also underestimated the vigorous reaction their new repression would provoke among democrats in Central America. Their response to my cautionary remarks brought it home to me: One Costa Rican newspaper, La Nación, went so far as to chide me for "naivete."

The vast majority of Central American democrats, it is clear, no longer believe that the Sandinists are entitled to the benefit of doubt. Despite the growing danger of regional war, the peoples of Central America are simply not willing to tolerate an increasingly totalitarian government in their midst.

This brings me back to my original point: The people of the United States — and especially those who share my yearning for peaceful solu-

tions — must recognize that the political character of the Nicaraguan regime is the key to the crisis of the region. So long as there is no possibility for freedom in Nicaragua, the armed rebellion against the Sandinists will continue to grow. The Sandinists, for their own internal reasons, will draw their Soviet and Cuban patrons ever more deeply into Central America. They will also, in time, provoke conflicts with their neighbors in order to justify ever more repressive measures at home.

The problem in Nicaragua is not the presence, or absence, of MiG fighter planes and assault helicopters. It is, fundamentally, the absence of liberty, the character of the government that will use such weapons.

What can the United States do? Congress is sadly wrong if it imagines that it can obtain peace by cutting off aid to the Nicaraguan insurgents. The insurgency is no longer a product of U.S. intervention; it is the revolt of Nicaraguans against oppression by other Nicaraguans. Those who oppose support to the insurgents have a moral obligation to insist that the Sandinists restore Nicaragua's liberties and that the communist world take its hands off our country.

The New York Times.

LETTERS TO THE EDITOR

The Two Go Together

In response to the report "Opponents Say Sandinists Restrict Travel" (Nov. 26) by Stephen Kinzer:

Although Congress cut off military aid for Nicaraguan rebels, U.S. pressure on the democratically elected Sandinist government continues. While we constantly read about an alleged tightening of censorship imposed by the Sandinist government, nobody seems to see that the two things go together.

Instead of criticizing Nicaragua's less-than-perfect democracy, U.S. newspapers should ask why Nicaragua restricts civil liberties, and why it accepts Soviet weapons.

This is not because the Sandinists admire Soviet-type regimes, but because they feel compelled to accept any help they can get against attempts to undermine them. The U.S. government, again, prefers to divide

the world into "us" and "them" rather than analyze the causes of unrest.

GABRIELE BECK,
WOLFGANG DOBLER,
Tübingen, West Germany.

A Good Job, NASA

Regarding the editorial "This Is the Wrong Stuff" (Nov. 22):

Every dollar spent by NASA has paid high dividends, spawning growth in high-tech industries, increasing knowledge and preserving America's good name. It is ironic that researchers should have to scramble for limited pieces of NASA's budgetary pie when it is evident that any investment in the use of space is likely to deliver a good return. If NASA has erred it is on the side of timidity. The agency has done a good job; its responsibilities, and budget, should grow.

CARLOS E. ARANAGA,
New Delhi.

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In the West End, Musicals Put New Life in the Theater

By Sheridan Morley

ONE YEAR in the London theater can be a very long time indeed. It was way back in February, you may recall, that a record high of 13 playhouses in the capital were dark, leading to understandable press reports of gloom and doom and the theory that the West End had become a dead end.

Ten months later, every one of those theaters has reopened, most with musicals, comedies or musical comedies, since we live in a low-risk age of nostalgic revivals.

The total West End audience is up 12 percent over last year, compared with a London cinema audience that is slumping by up to 10 percent, and it is reckoned that by Christmas 10 million people will have been to the London theater in 1984 — a million more than last year, and a record high.

The cut-price ticket booth in Leicester Square is selling 1,400 tickets a day to a West End where Ray Cooney farces, Agatha Christie thrillers, and Michael Frayn comedies are just about holding their own against the trans-Atlantic musical invasion. As on Broadway, long runs are now the aim of every theater manager.

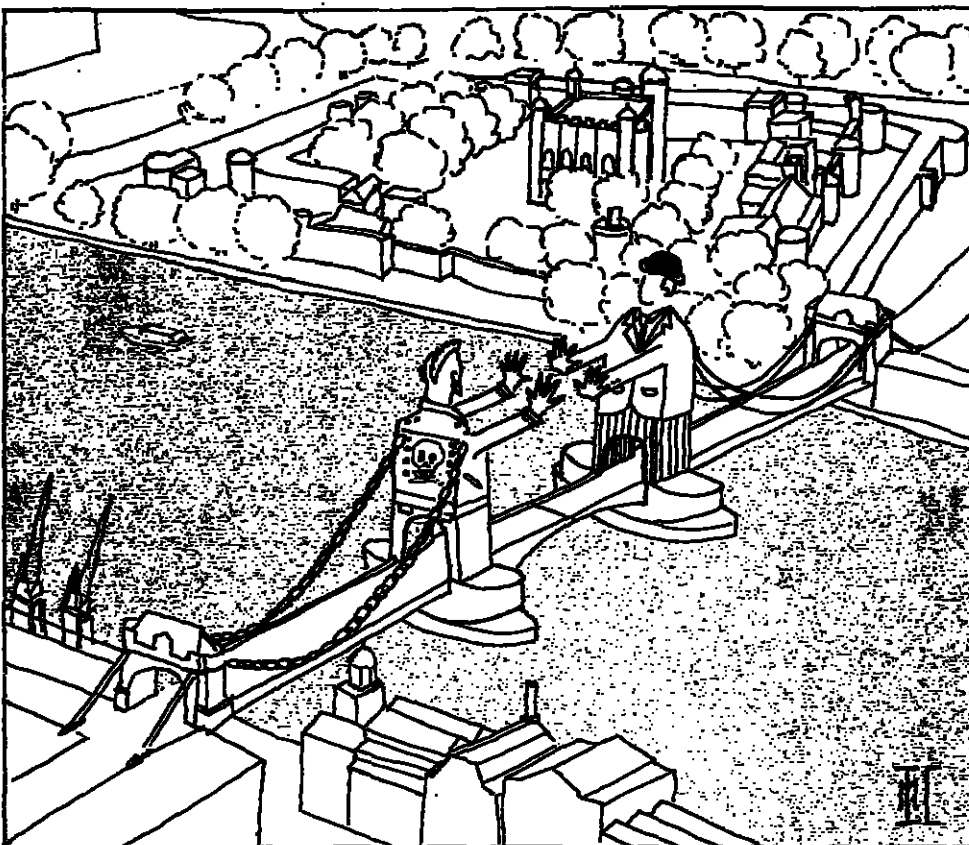
And it is no coincidence that both James Nederlander of New York and Ed Mirvish of Toronto

now hold London theatrical properties in terms of real estate (the Aldwych and the Old Vic, respectively) rather than plays.

Few shows may achieve the 32 years of "The Mousetrap" or even the 11 years of "No Sex, Please — We're British," but Tom Stoppard's "The Real Thing" is into its third year while Mr. Frayn's "Noises Off" is in its fourth. "Evita" and "Cats" are still holding the fort for Andrew Lloyd Webber, whose roller-derby "Starlight Express" remains the hottest ticket in town, with a three-month wait unless you are willing to pay the scalps.

Very nearly half the shows in town are musicals, from a huge dose of Broadway imports ("42nd Street," "On Your Toes," "The Little Shop of Horrors," "Pump Boys and Dinettes," "West Side Story," "Little Me") to shows that have been created in London with Broadway in view ("Starlight Express," "Cats," "Evita") and even one homegrown American musical that began its stage life on this side of the Atlantic — "Singin' in the Rain."

On the horizon are a lot more big musicals — David Essex's "Mistery on the Bounty" and Tim Rice's (Continued on Page 12)



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Art: The West's Vault for Chinese Masterpieces

AMONG the art addicts who flock to London looking for Turner's landscapes, the Vermeer at the National Gallery or Lord Elgin's Greek marbles at the British Museum, most go back home unaware that they have just left the

SOURN MELIKIAN

Western world's capital of Chinese art.

For the time being, London offers the largest concentration of masterpieces of Chinese art in any field to be seen outside of Taiwan, China or Japan. They are often tucked away in places that hurried visitors are likely to overlook. Only specialists are familiar with the Percival David Foundation, a museum of Chinese art attached to the University of London, which preserves, among others, the two earliest dated vases of Blue-and-White porcelain (A.D. 1351).

Few visitors to the Victoria and Albert Museum are aware that while the so-called "primary collections" of Chinese art on the ground floor include the more spectacular pieces, much of the most beautiful pottery lies on the shelves of the second-floor galleries, misleadingly referred to as "secondary collections." Understatement, like Chinese pottery, has long been a favorite British art.

The Chinese connection is an ancient one for England. A small Han bronze of the first century A.D. was dug up near the Tower of London, and another piece, one of the finest examples of Chinese porcelain in the West, was already at Fonthill Abbey by the 14th century. However, intensive collecting of Chinese art started much later. When Kodansha, the Tokyo publishers, asked John Ayers, the keeper of the Far Eastern section in the



Above, gilt bronze belt-hook from the late Eastern Zhou Dynasty, third century B.C. Right, a 12.2-inch limestone head of a Bodhisattva, Sui dynasty.

Victoria and the Albert Museum, to write a book in 1975 on "Far Eastern Ceramics in the Victoria and Albert Museum," all the extraordinary pieces that were selected were 20th-century acquisitions.

No greater compliment could have been paid to London collecting by the Far East. The book was originally published in Japanese for Japan. Fortunately, an English-language version, produced by

Philip Wilson of London, is available. A glance at this introduction to the art of the Chinese potter is enough to measure the role played by English collectors and the boldness of their approach. Few, in continental Europe, would have thought of looking at the red stem cups of the early 15th century when W.G. Gulland acquired them, long before his gift to the museum in 1905.

The giant that stands out is George Eumorphopoulos, the greatest collector of Chinese and Middle Eastern pottery of all times. His pieces, of which the greater part were acquired by Britain in installments between 1935 and 1939, include much of the best of Tang, Song and Ming pottery to be seen in the Victoria and Albert Museum and the British Museum. The basis of London's current wealth in Chinese art largely lies in the links that were established early in the century between major private collectors, museum keepers who saw to it that great exhibitions were put together, and scholarship. It was in London, at Burlington House, that the greatest exhibition of Chinese art ever held was organized in 1936. And it is in London again that most of the monographs still used as text books by Western collectors have been published. The Faber and Faber series on "Early Chinese Ceramics," "Oriental Blue and White" and "Blanc de Chine" is irreplaceable. What we know about Chinese lacquer is still essentially compressed in Sir Harry Garner's "Chinese Lacquer."

And the 15th-century carved lacquer table that he bequeathed the Victoria and Albert Museum is arguably the most important piece of Chinese lacquer in any Western institution.

The standard book about Chinese lacquer remains, again, Sir Harry's monograph in

the Faber and Faber series. The handful of 15th- and 16th-century objects now split between the Victoria and Albert Museum and the British Museum probably represent the better half of public holdings in the West.

Even in areas where other countries (Continued on Next Page)

A Cityscape That Reveals In Traditions and Trends

By Rebecca Brice

THE happiness of London is not to be conceived by those who have been in it," Samuel Johnson said to Boswell in 1769. "I will venture to say, there is more learning and science within the circumference of ten miles from where we now sit, than in all the rest of the kingdom."

Quoting Dr. Johnson about London is virtually a tradition. And no one cultivates traditions more assiduously than the British. This is particularly true in the countryside, but it holds for the capital as well. London has traditions where other cities have to be content with clichés.

The juxtaposition of traditional and trendy that characterizes the world's great cities is especially present in London. One is continually reminded that this is an ancient place that has aggressively kept pace with, even slightly ahead of, the times.

The contrast is embodied in the satellite receiving dishes that have sprung up like cup fungi atop the staidest Victorian buildings. It is the bagpiper in Leicester Square, wearing the loudest possible tartan, being momentarily drowned out by a chanting snake of Hare Krishna people, no less colorfully garbed than the piper and, indeed, in their own way, somewhat more authentic.

It is a silver-haired lady saying in cultivated tones to her equally elderly companion at the British Museum's magnificent exhibit on "The Golden Age of Anglo-Saxon Art": "Oh, look, there's a picture of Glastonbury. That's where King Arthur was buried, you know." Pause. "In the '60s all the hippies went there because they said the vibes were good."

As is befitting for a place at once history-conscious and determinedly modern, the traditions of London are often born yesterday. (The British resemble the Americans in this. There used to be, perhaps still is, a U.S. restaurant chain that would proclaim proudly on its menus: "A Des Moines tradition since 1974." This in about 1975 and a half, maximum.)

Punks, for example, appear to be firmly entrenched as a London tradition. Slinky-eyed nihilists with poison-green Mohawk hairdos are routinely featured on postcards at souvenir stands, side by side with cards of the Tower, Buckingham Palace and Trafalgar Square. In fact, the punk and new-wave lifestyles have been around long enough that one now occasionally sees punk families. Mum, Dad (or is it Dad, Mum) and surprisingly normal-looking Baby. It remains to be seen whether King's Road will go the way of Carnaby Street.

Almost getting killed trying to cross Cambridge Circus on foot is a London tradition.

"The Mousetrap" is not a London tradition. Perhaps it was once, but enough is enough.

Also not truly a London tradition are the ersatz Eliza Doolittles hawking nosebags to theatergoers and opera fans in and about Covent Garden. But, though many Londoners lament the loss of the old Covent Garden market, the boutiques, bistros and general commercial bustle that have replaced it are quite tolerable, as this sort of upscale urban renewal goes.

The essayist Richard Steele wrote that he "could not believe any place more entertaining than Covent Garden," and a show it remains some three centuries later, a sort of headquarters for London hucksters and break-dancers, street clowns and guerrilla theater companies. The shops in and around what used to be the market include some mass-manufactured shopping-mall perennials, but the rest are highly imaginative in their wares and presentation.

In sad contrast is the cluster of shops, restaurants and attractions in the newly remodeled Trocadero building near Piccadilly Circus. From the fortuneteller in the basement to the Guinness Book of Records show on the top floor, Trocadero is an unnecessarily tasteless addition to an area already overcrowded with that quality. Yet such projects, the remodeling and restoration and new construction all over central London, testify to the city's vitality.

At this time of year one London tradition is the Christmas decorations in Oxford Street and Regent Street, lighted up in all their glory the instant the sun starts setting, which, thanks to London's proximity to the Arctic Circle, is about mid-afternoon. These and the Sunday-night traffic they draw are the bane of still another tradition, the great black London taxi, all too soon to be replaced by a new model, unromantic-looking but, it is claimed, every bit as roomy.

The jury is still out on whether wine bars have become a London tradition. A good deal has been said, written and snifted about the wine-barring of the capital. While it may not be literally true that the cheese now usually served with a ploughman's lunch is Brie, wine bars have dramatically changed the face of London in the last several years. In parts of the central city especially, they are very nearly as numerous as pubs. (A number of pubs, fighting back, have installed window greenhouses, trumpet the arrival of the Beaujolais nouveau and offer quiche side by side with the Scotch eggs.)

Wine bars seem to be a symptom of a more general phenomenon, a change of attitude that is hard to pin down. It is part and parcel with the Greater London Council's decision to try a yearlong ban on smoking in the Underground, with the spread of vegetarian and other no-smoking restaurants (many of them surprisingly good), with the appearance of what are at least

(Continued on Page 9)



At Harrods, the Only Limit Is the Customer's Fortune

By Linda Hales

HARRODS may be excused for thinking of itself as a crown jewel among department stores. Larger stores and older stores exist, but few make a more grandiose claim — and insist on delivering. If the store doesn't have it, Harrods says, it will get it for you — no matter how large or how small, no matter your location or station in life. The only limit may be the size of your bank account.

Purveyor to kings, queens, presidents and lesser mortals since 1849, Harrods is undeniably a luxury store. It has shipped a baby elephant to Ronald Reagan. It has sent a single handkerchief halfway around the globe. True, one can also buy a bar of soap or a pot of yogurt at Harrods, but sales of soap and yogurt do not a legend make.

What sets Harrods apart is that it stocks what is very likely the world's most comprehensive selection of merchandise, much of it exclusive, and it offers services to take its customers from cradle quite literally to grave. (The Funerals Department accomplishes the latter.)

Its block-square building at 87/135 Brompton Road holds 14 acres of goods, from fashions to furniture to car-repair tools. At least 4,000 employees work in 230 departments on six floors.

For those intimidated by scale, Harrods may be shopped by telephone, by catalog (the store calls it a magazine) or by window, of which there are 72. But, to properly experience Harrods, one must explore on foot.

As many visitors know, it is easier to negotiate London, with its determined lack of any rational street pattern, carrying the trusty London A-Z map-book in hand. So, too, for an expedition to Harrods. Here, traffic patterns are determined not by shoppers but by ruthless rules of retailing. What follows is an alphabetical guide to useful facts and tantalizing goods that might otherwise be missed.

"All things, for all people, everywhere" is Harrods's credo, loosely translated from the Latin "Omnia, Omnibus, Ubique." That includes aspirin and other painkillers (161,808 consumed on premises last

(Continued on Next Page)



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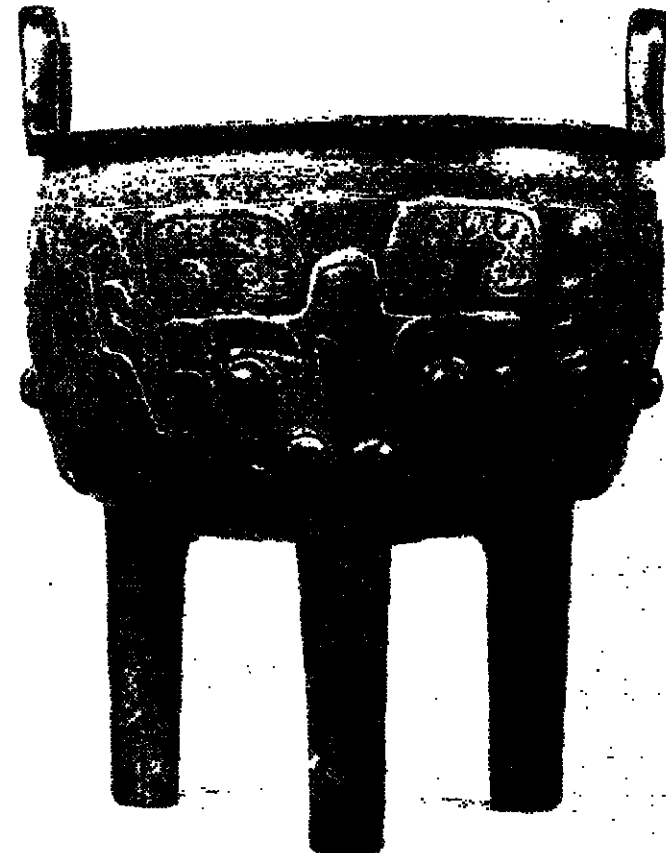
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A SPECIAL REPORT ON LONDON



From left, a 10.7-inch Ho bronze from the late 11th century-early 10th century B.C., transitional style; a 39.7-inch marble standing figure from the Sui dynasty; and a 7.9-inch high archaic bronze food vessel from the late Shang or Early Western Zhou dynasty.



Art: The West's Vault for Chinese Masterpieces

(Continued From Previous Page)

tries made an earlier start. London won the match. Chinese archaic bronzes from the 14th-century B.C. Shang to the Han period (224 B.C.-A.D. 224) first came to Western attention after a Swedish railroad engineer named Orvar Karlbeck who worked on the construction of a railway in the 1920s started picking them up in China. The future king of Sweden, Crown Prince Gustav VI, passionately interested in Chinese antiquities, acquired 700 pieces from him at one go. But British collectors were soon in the running. Between them, the Victoria and Albert Museum and the British Museum hold the lion's share in Western Europe. The Shang bird with folded wings in the former and the Shang vessel in the form of adored rams supporting a vase in the British Museum are in

the same league as the late Avery Brundage's rhinoceros in the Los Angeles County Museum or the Warring States vase donated by D. David-Weill to the Musée Guimet in Paris.

Here, too, the connection between public collecting and scholarship is inseparable. William Watson, who was a keeper at the British Museum for two decades, is now a professor of Chinese civilization at the London School of Oriental and African Studies. He has written the book on "Chinese Archaic Bronzes," revised in the light of recent Chinese excavation work.

The decline of British power after World War II did not affect the growth of Chinese art collections. On the contrary, the dynamism of the English trade boosted it. Over the last 40 years, the most powerful network of Chinese art dealers in the world has steadily developed. Spin's and Bluet's is leading a group that

includes Spark's, Sydney Moss, Baring and a few others.

Significantly, the only major creation of a new gallery dealing in Chinese art in the last two decades has taken place in London. Giuseppe Eskenazi, who opened his gallery in London in 1972, is probably ahead of all the others. The annual exhibitions he has put together in the last 11 years have included many of the most important items sold worldwide.

True, during those same years English collecting decreased. While invaluable gifts were made to London museums — Mrs. Alfred Clark's donation, split between the Victoria and Albert Museum and the British Museum, Sir Harry Garner's bequest — most of the major pieces sold recently in London have gone to Japan, Hong Kong, the United States and Singa-

pore. The dominant position of English salerooms once favored English collecting. It is now operating to its detriment, starting with the most brilliant of all auctioneering ventures, the Hong Kong fall and spring sales held by Sotheby's.

Initiated by Julian Thompson, one of the world's experts on Chinese porcelain, the Hong Kong auctions pump back into the Far Eastern pipeline many important items. And Sotheby's decision to auction the Eskenazi Schloss collection of Tang figurative pottery in New York on Dec. 3, rather than dispatch it to London as would have been the case 10 years ago, is a telling indication of the weakening English position. But such neglect will not leave its mark on the museum for many more years, and a change of wind may still take place.

At Harrods, the Only Real Limit Is the Customer's Fortune

(Continued From Previous Page)

It also includes a 17th-century suit of Turkish armor astride a horse (£29,000).

Babies can be welcomed (it is preferred that their arrival not be undertaken on site, though a doctor is on hand) with a basket holding a hand-knitted cardigan, a half-bottle of champagne and a box of chocolates delivered to the hospital (£26).

Who gets what is left to the customer.

Champagne flutes for toasting arrivals, new or otherwise, can be

exclusive Irish Galway Kerry (£8.95 each) or extravagant Baccarat Vallée (£82 a glass).

Baccarat candelabra (£26,000) are favored by "the odd Arab," while five-foot Waterford fountains (£40,000) have been shipped to Saudi Arabia and to "a minority religious sect" in the United States. Harrods does not name names.

Doors are numbered. There are 11 for customers, so it is best not to say to a friend that you will meet at the main door.

Choose Door 5, which is served by a Green Man. Harrods partance

for a doorman. Green men, said to be always more than 6-foot-3 and possessing endless charm and tact, are useful in procuring taxis.

You can take one home, doll-size only (£19.50).

Escalators are at Doors 5 and 10. Elevators — harder to find — deposit customers at the Export Bureau, which is where you should go if you do not speak English.

Food is where Harrods began. In 1835, Henry Charles Harrods opened shop as a wholesale grocer. Now the Food Hall stocks 500 kinds of cheeses and 130 breads.

At Christmas, it dispenses 130 tons of Christmas pudding, 75,000 mince pies, 18 tons of Stilton and a quarter ton of caviar. For lesser appetites, there is the health hamper: Jane Fonda's Workout Book, bran crisps, sesame seeds, decaffeinated coffee, acacia honeycomb and inedible leotard and leg warmers (book, £9.95; hamper £70).

Golden opportunities for executives range from folding sunglasses with 24K gold-plated lenses (£27.50) to an exclusive gold-plated television with Teletext (£1,395).

Harrods markets itself as a status symbol in the Harrods Shop. Among hundreds of household products bearing the store's name are golf tees (five for 30 pence), toothbrushes (£3.75) and Harrods brand cigarettes (low to middle tier).

Independence, specifically the American War of Independence, can be had for the price of a chess set.

Ready to change the course of history are tiny Minutemen and Redcoats in handcast, handpainted metal; the playing board is metal wood (players £229, board £32.25).

Joggers who take their dogs for a run may take to a jogging suit for the pet from the canine couture collection.

It is monogrammed with an "H". Also in the collection, a Sherlock Holmes outfit in tarian, complete with collar, cape and deerstalker (£40 and up).

Kennels are on premises for shoppers' pets.

For dogs left at home, Harrods will make to order thatched-roof kennels (from £600). Shoppers

without dogs may order thatched houses for their children.

Leather luggage can be made to measure. Cases of all sizes are constructed entirely of British leather — no alien backing materials are used — and handstitched and secured with sturdy locks (£225 for an attaché case to £575 for a Gladstone).

Musically gifted clients may appreciate a six-foot grand piano, in Christmas red, with a lid that operates electrically (£9,750).

Nightshirts, his and hers, in cotton with a satin stripe in blue, yellow or rose, are exclusive to Harrods (£27.50).

Oman is the source of "Amouage," a fragrance derived from frankincense, in a sterling silver flask gilded in 24K gold (£350 for 10 milliliters, £775 for 120 milliliters).

Pub lunches are served in the Green Man Tavern.

If you prefer, Harrods will build a solid mahogany pub bar in your home (£3,500).

For something to hang above the bar, Desmond Graves Photo Studio at Harrods can take your color portrait in his studio or yours — wherever in the world you should choose to be.

At the top of the line, his clients include the queen of England, the king of Jordan, a Saudi prince, heads of state and executives (sittings from £95 in the studio at Harrods; elsewhere by quotation).

Queens and other royals do shop at Harrods, and it has been said that two dozen titled people are there at any given time.

To see them better, you might once have purchased quizzers at the optical department.

You can still find lognettes (£58), with or without prescription lenses.

Rembrandts are available, too. On display behind glass is an original etching of "The Jews in the Synagogue" (price by inquiry).

Security, whether for Rembrandt or customers, is a subject the store prefers to keep secret.

A spokesman, Jenny Turton, does point out that the bombing last December that killed five persons took place outside the store, not in it, and that Harrods's securi-

ty force works closely with London police.

As for shopping, Harrods admits that people can get carried away.

One would-be thief tried to make off with a cash register during the tumultuous after-Christmas sale, Miss Turton said. He did not succeed.

Teddy bears, British-made, of pure mohair, remain the toy department favorite (£19.95 to £135). Stuffed camels and pink dinosaurs with bowler hats are also offered.

Unusual requests are a specialty. Among recent exports: A Persian carpet shipped to Iran, a refrigerator to Finland and a sauna to the Middle East. Not an eyebrow was raised.

Visitors in their haste may miss the Victorian mosaic friezes in the food hall.

Foreign visitors doubtless will not miss the exemption from value-added tax on purchases exceeding £75.

Watching people, royals or not, is best done sitting down, at one of the store's 10 restaurants and cafés.

For men who watch clocks while they wait, there is a quartz wristwatch that also keeps track of the phases of the moon (£85).

Xenophobia is unknown at Har-

rods. Overseas customers each year spend £40 million, and the store says its green-and-gold carrier bags are seen in every airport in the world.

For those who travel by sea, Harrods has a shop on the Queen Elizabeth 2.

Yachtsmen on lesser liners need not be left out.

The store has shipped sausages to a yacht anchored in the Mediterranean.

Another package was shipped to Capetown to greet an incoming vessel on its way round the globe.

Zealous devotion to service on a grand scale is something Harrods hopes sets it apart. There are complaints, nevertheless.

They range from mundane — queues in the Food Hall are too long — to downright mortifying.

The night carpet once was perfectly laid in the wrong apartment.

And, when all is said and done, it is not quite true that Harrods will do anything and everything.

It is indeed likely that if you ordered a Christmas tree, with all the trimmings, it would be delivered to your door.

But Harrods would stop short of serving Christmas dinner.

Said Miss Turton, "We don't do catering anymore."



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A SPECIAL REPORT ON LONDON

Ballet: The Post-Fonteyn Doldrums Lead to an Era of Youth

By Jann Parry

THE ROYAL Ballet paid tribute this year to its founder-choreographer, Sir Frederick Ashton, who turned 80 in September.

The gala in his honor at Covent Garden included a brief *acte de presence* for Sir Frederick and Dame Margot Fonteyn, the company's prima ballerina assoluta.

To music from "The Sleeping Beauty," he awoke her with a kiss from her reverie on a sofa; she accepted his roses and scattered them on the stage; they danced the "Fred step," the little sequence of classical steps with which he signs his ballets.

As they went arm in arm into the wings, she turned her enchanting smile from him to the audience, which responded with delight.

"Would you like it all over again?" Sir Fred asked during the curtain call. We would indeed.

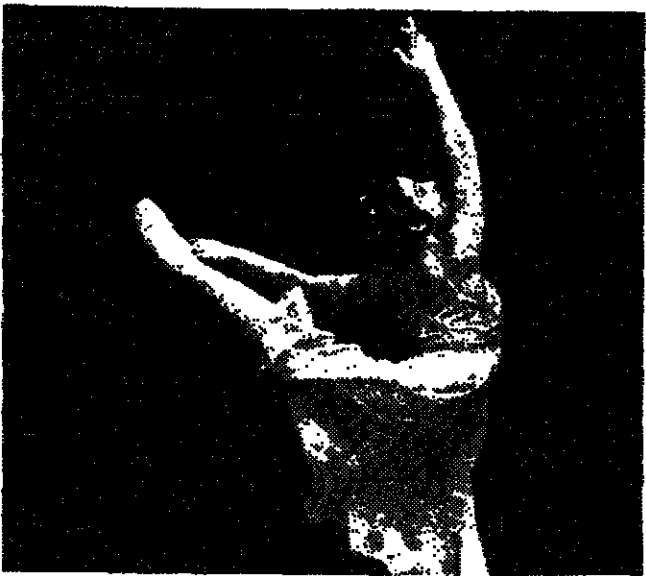
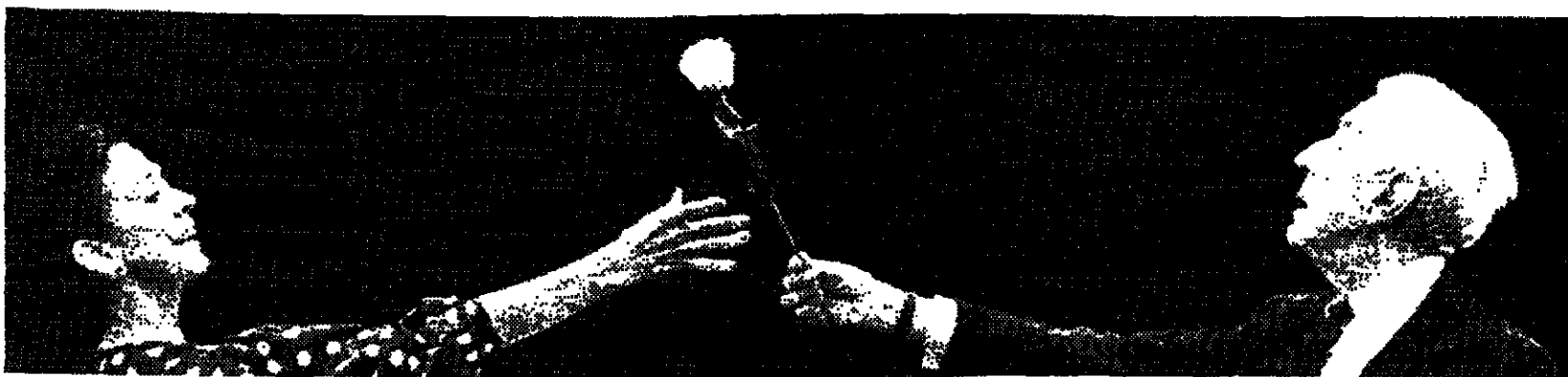
Although the evening evoked waves of nostalgia, it was also a chance to assess the new generation of dancers in the making. After a long period of post-Fonteyn doldrums, the Royal Ballet is at last giving its youngsters their chance.

This year has seen the ascendancy of Ravenna Tucker and Fiona Chadwick in major classical roles, though both made dramatic Juliet in Kenneth MacMillan's "Romeo and Juliet." The most eagerly anticipated debut in the role was that of 20-year-old Alessandra Ferri, who more than lived up to expectations.

Small, vivid and incredibly supple, she seems a natural MacMillan heroine, inheriting the leads in "Manon" and "Mayerling" as well as creating roles in his new ballets, "Valley of Shadows," "Different Drummer" and "The Seven Deadly Sins" (for television).

She has the ability that Lynn Seymour had to appear both innocent and dangerously provocative. Unlike Miss Seymour, however, she has not been encouraged to develop outside the MacMillan repertoire.

The Royal Ballet lost the services of one veteran, Michael Somes, 67, and of David Wall, who opted to retire at 38, leaving the company short of really good male dancers. One of the most promising soloists, Ashley Page, has shown signs of an original choreographic talent in



Above, Sir Frederick Ashton hands Dame Margot Fonteyn a rose. Below, left: Alessandra Ferri as Juliet; below, right: Michael Clark in a Leigh Bowery costume.

two short ballets given this summer. However, the man who has established himself as the Royal Ballet's brightest choreographic star is David Bintley.

In the last two seasons, Mr. Bintley, 27, has made four outstanding ballets: Three are pure dance works ("Chorus," "Consort Lessons" and "Young Apollo") while the fourth, "Metamorphosis," is a powerful retelling of the Kafka story. He plans a three-act work for the Sadler's Wells Royal Ballet next autumn, and Rudolf Nureyev has commissioned a piece from him for the Paris Opera Ballet in March.

Mr. Bintley is also a fine dancer. His Petruska was voted this year's best performance in a

poll of readers of Dance and Dancers magazine. It is a heart-rending interpretation, worth making a special effort to see.

On the new-dance scene, the most exciting figure is Michael Clark. A product of the Royal Ballet School, he soon went his own way, combining classicism with post-punk music and manners. At 22 he has forged a distinctive style and set up his own company of dancers. He has performed in Paris with Karole Armitage, and a new work by him is being given this December by the Opera's Groupe de Recherche Chorégraphique.

Mr. Clark is adept at picking outrageous designers for his costumes, including such arch-fashion

names as Leigh Bowery and Body Map. The tendency among longer-established dance companies has been to turn for their designs to painters who have never worked for the theater before. Ballet Rambert commissioned sets from Bridget Riley and Richard Smith, and the Royal Ballet used backdrops by Victor Pasmore, John Hubbard and Patrick Caulfield. The collaborations have been, on the whole, more spectacular than satisfying.

With the exception of Mr. Pasmore's abstract designs for Mr. Bintley's "Young Apollo." For their new productions of the Tchaikovsky classics, the two Royal companies have relied upon experienced theatrical designers. The

touring company has just acquired an opulent "Sleeping Beauty" designed by Philip Prowse and directed by Peter Wright. Mr. Wright is also mounting a new "Nutcracker" for the Covent Garden company at the end of December, with Biedermeier period designs by Julia Trevelyan Oman.

"The Nutcracker" is staple Christmas fare for the London Festival Ballet, which has a new artistic director, Peter Schaufuss. He plans to introduce fresh ballets and world-class artists, starting with Natalia Makarova in John Cranko's "Onegin" in December.

The company's link with the Festival Hall is a disadvantage for its London seasons because the con-

cert stage, originally intended for music only, is too small for large-scale ballets.

What Festival Ballet needs — what London needs — is a theater properly equipped for dance, which could accommodate British and foreign companies.

A feasibility study has been made; all that remains to be found are the money and the will to put the plan into effect.

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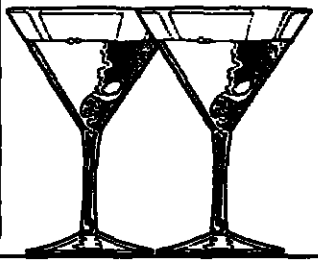
ROOSEVELT AND CHURCHILL:
A TALE OF TWO MARTINIS.

Concerning affairs of state, these two great statesmen were frequently of a single mind.

But in the mixing of dry martinis, there was a parting of the ways.

FDR enjoyed his dry martini in the then traditional manner: two parts gin to one part vermouth. Sir Winston, his friend and ally, acknowledged the traditional role of vermouth merely by glancing at the vermouth bottle as he poured the gin.

History would appear to be on Churchill's side. Which is not surprising. After all, who knows more about gin than the English?



THE GIN OF ENGLAND

Two Opera Houses Have Their Ups and Downs

By Stephen Fay

THE reputations of London's two opera houses, the Royal Opera at Covent Garden and the English National Opera at the Coliseum, are governed by a simple rule: When one is up, the other is down. In the last three months the balance has shifted dramatically, and at the moment it is the Royal Opera that's up.

The English National Opera, known as the ENO, returned from its summer tour of the United States with its artistic reputation enhanced and its finances nearly in ruins. Its chairman and its managing director, Lord Goodman and Lord Harewood, had been given assurances by Governor Mark White of Texas that he would close the gap between tour income and expenditure. But the governor's fund-raising produced \$60,000, the

deficit was £700,000 and the result is gloom and uncertainty at the ENO.

That description would have fit the Royal Opera earlier last summer. A production of "Aida" with Luciano Pavarotti was an artistic disaster, and two directors had either been pushed out or had quit the new production of "Turandot" that was to open in Los Angeles at the Olympic arts festival. The run of bad luck ended with the third choice director, Andrei Serban, whose production was greatly praised by U.S. critics, as was Plácido Domingo's Prince Calaf. The Royal Opera left Los Angeles as cocky as any gold medalist, and when "Turandot" opened in London in September the success was repeated. The result is exhilaration at Covent Garden.

These operatic fluctuations of mood are not surprising, since the

business does not allow much room for subtlety nor time for reflection. In truth, things are by no means as bad as they seem at the ENO, and are not quite as good as they appear at the Royal Opera, which in November had to cancel a new production of Massenet's "Manon" that was scheduled to open in February. The Royal Opera is the most heavily subsidized artistic enterprise in Britain, but it is always hard up, and the £12.25 million it receives is less than half the state subsidy allocated to the Paris Opera. (Both budgets include the ballet.)

Funds may be perennially short, but the product is attracting an audience that is growing and changing. A convenient rule of thumb is that the longer individual productions run, the larger a city's opera audience is, while a repertoire that changes regularly suggests a small pool of opera-goers. Judged by that, the London audience may be the largest in the world.

At the Royal Opera, the audience is better off and more conscious of the opera as a social occasion: it is full of people who run the city and Whitehall. They are not especially adventurous. An example of the perfect Covent Garden bill is the new production of "Der Rosenkavalier" that opened Dec. 4 with Sir Georg Solti in the pit, John Schlesinger directing, Kiri te Kanawa singing the Marschallin and Agnes Baltsa as Octavian. No need to advertise that; it is the hottest ticket in town.

Tickets for unfamiliar Coliseum productions such as Dvořák's "Rusalka" and Janáček's "Ondra" are less easy to sell, and the ENO is energetically pursuing a new audience for this sort of music. The new marketing proposition is that the audience for modern popular music is likely to be more receptive to modern operatic music.

This is less far-fetched than it

may sound. Magazines read mainly by people under age 25, such as Time Out and New Musical Express, have recently appointed opera critics. Certainly the sound of opera is becoming more familiar to pop-music listeners: Music from "Madame Butterfly" is featured in a record that made the charts this autumn.

Television advertisements for the ENO on Channel 4 (which is cheap and arsy compared to the main commercial network) show two young people, fashionably dressed in black, buying tickets on the night, watching from the balcony and listening to music sung in English (as it always is by the ENO).

Some establishment figures at Covent Garden may find this an undignified way of bringing in an audience, but the ENO's music director, Mark Elder, and resident producer, David Pountney, seize on the presence of new faces in the Coliseum as justification for their adventurous repertoire. Whether the U.S. tour deficit will inhibit their work by forcing them to a more conventional, popular repertoire is a problem that faces Lord Harewood's successor, Peter Jonas, who comes to London not from an opera house but from the Chicago Symphony Orchestra.

Mr. Jonas is 37 (the same age as Mr. Elder and Mr. Pountney), and is said to be astute, tough and charming. He will need all three qualities when he takes over next spring.

At the Royal Opera, Eva Wagner, the great-granddaughter of Richard Wagner, has been appointed to the administrative position of opera director, in which she will try to improve the overall quality. At Covent Garden the emphasis is more on the quality of the orchestral music and the singing, and that has surely been secured for some years to come by the ap-

A Cityscape That Reveals
In Traditions and Trends

(Continued From Page 7)

claimed to be biodegradable plastic shopping bags. Londoners are in many ways more American than the Americans, their chief rivals in the contest for who can be more French than the French.

Wine bars, at their best, are a relief from one of the most deplorable of London traditions: inedible restaurant food.

James Bone, in "London Echoing," published in 1948, alleged that a waiter at Grouse's restaurant in the Strand "when upbraided about the poorness of the coffee said: 'Well, sir, you see we've got to keep up the reputation of an English house!'"

It has become fashionable in the last few years for both British and foreign food writers to protest that this reputation, still flourishing, is in fact undeserved, that if one has but the money to patronize the latest imported chef or the time to seek out little-known neighborhood lunch joints, one can eat quite well in London: that great strides have been made to improve the quality of London's eateries. This is largely untrue.

The vast majority of newer restaurants in London bear names like Shrikes and the Great Indiana Sausage-Gravy House. Like Paris foodies, London restaurateurs would appear to know their mar-

ket. A source in the City confides that even the top expense-account lunch spots there are pretty bad, with the most nearly acceptable ones being, naturally, wine bars.

A survival hint for eating in London: Steer clear of chains, restaurants with American states in their names and places with laminated plastic menus, and you can't go too far wrong. You can go hungry, but there are worse fates.

Still and all, one doesn't visit London for great food. One visits it for great theaters like the Haymarket, where Maggie Smith and Joan Plowright are carrying all before them in "The Way of the World"; for earthshaking transactions in what the Canadian humorist Stephen Leacock termed "that strange and mysterious thing called 'the City'"; the most emotional, the most volatile, the most peculiar creature in the world; for the mind-numbing selection of new books at Foyles or the unexpected treasure in a secondhand stall; for the excesses of Fleet Street, the Gothic hush of Lincoln's Inn — the mix of etched-glass pub windows, skyscrapers, polite policemen, inventively rude waiters, grimy air and rain-glossed night streets that V.S. Pritchett lauded as "hard, sharp-eyed, kind, sentimental London."

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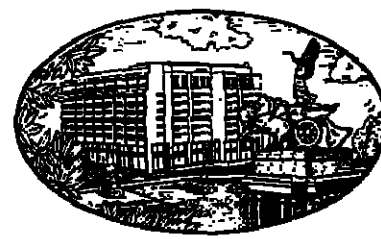
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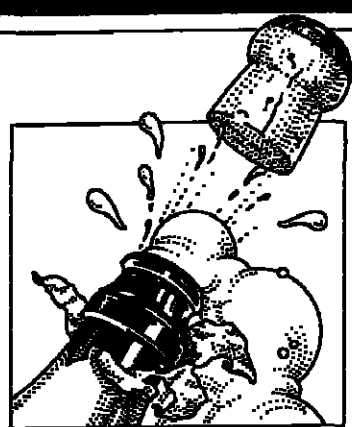
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A SPECIAL REPORT ON LONDON



Laura Ashley's milkmaid look.

Fashion: Yesterday's 'Chic Anglais' Is Durable — And Highly Profitable

TRADITIONAL British fashion, also known as *le chic anglais*, is ultraconservative and basically about yesterday's Britain. Modesty and cashmere, tweeds and raincoats, kilts and twin-sets, black velvet and tartans, Shetland sweaters and Liberty prints — *le*

fact that Marks and Spencer is across the street.

Le chic anglais is really not about fashion; it is about style and life-style. It calls for cozy visions — stately homes full of solid Victorian furniture and wall-to-wall rose chintz, stiff butlers carrying tea on silver trays, walks with the dogs on misty ancestral lawns. It is about life in the upper echelons, back in earlier, civilized days.

Nobody has cashed in more on this romantic mystique than Burberrys, which over the years has parlayed a simple raincoat into a multimillion-dollar business. The company, founded by Thomas Burberry in 1856, was bought in 1955 by Great Universal Stores, one of the largest retail organizations in Britain. The parent company is largely responsible for turning a simple trench coat, basically unchanged since British officers wore it in the trenches during World War I, into an international status symbol.

The formula is "a simple marketing experience," said John J. Cohen, Burberrys' deputy chairman. It starts with decor. Burberrys employs scores of decorators to make sure their stores look like posh country houses, decked out in English antiques including rosewood tables draped with mohair, giant copper milk jugs and prints of such classy sports as golf, polo, sailing and stag hunting.

This may explain why the French, who can be quite chauvinistic in matters of fashion, are so impressed with *le chic anglais*. A buyer from the Printemps department store in Paris said recently that, of all the promotions the store does, the British ones were the most profitable — and this despite the

fact that Marks and Spencer is long way — to 1851. Its raincoats have also been worn by the high and mighty, including King Edward VII, Winston Churchill and Humphrey Bogart.

Both companies claim they made the coat worn by British officers during World War I. Both have distinctive plaid linings, which they use ad infinitum.

But Aquascutum's tone is extremely low-key. If you ask the manager of the London store the difference between an Aquascutum and a Burberry, the answer is a mild: "Oh, gosh, it's very difficult to tell."

Aquascutum has not cut as wide a swath as Burberrys, and it is badly in need of a decorator. Its Regent Street store is genteel, but does not compare with Burberrys' elegant razzmatazz.

Yet Aquascutum's merchandise is highly commendable. Its women's coats in heavy herringbone tweeds have a genuinely British appeal and are among the handiwork in London. Though the company tries to offer higher-priced fashion — with faint whiffs of Kenzo and Claude Montana — it does best when it sticks to *le chic anglais*.

Aquascutum is showing faint signs of catching up with Burberrys. The latter opened a store a few years ago on New York's 57th Street; now Aquascutum has one on Fifth Avenue, too, inaugurated recently by the Duke of Norfolk. Aquascutum is upgrading its image, and its 5,500-square-foot store in New York is decorated with antiques, including a 19th-century billiard table.

While these two giant, august companies have been playing in a lofty, aristocratic key, Laura Ashley, who started her business in 1956, has been equally clever at pushing a humble, thatched-roof-cottage look, which she has marketed in home furnishings as well as fashion.

Starting from a kitchen in Wales, she now owns a private jet, a yacht and a French chateau. Her brilliant marketing won her the Queen's Award for Industry in 1977. Playing to a large audience, Mrs. Ashley built up a young image and clientele in a relatively inexpensive price range.

She has been an enormous influence in fashion, with an innocent, romantic image that is, again, more a look than fashion. With long, soft skirts of lace-trimmed white cotton or floral prints, Mrs. Ashley has created a fashion fantasy of the dainty 18th-century milkmaid.

There must be fierce demand for this kind of dream; her fame has spread all over the world, including the United States, where the designer Ralph Lauren has cashed in handsomely on this version of *le chic anglais*.



Sweater from the Dunhill autumn/winter collection.



Chemical Warfare Warrior in I-D Magazine.

Fashion's Subculture Goes Way Out in Print

THE BEST way to understand the difference between the tweedy, tartan, horsey look of *le chic anglais* and today's London street fashions is to catch up with magazines such as *The Face*, *I-D* or *Blitz*. The result is culture shock.

With a strong underground and subculture flavor, these magazines mix fashion, music, politics and films, with the accent on the music and its influence on fashion. The explosive layouts, pictures and makeup make *Vogue* and *Harper's* look like string quartets next to a punk band.

These magazines are not put out by middle-aged publishers who think they know what young people want. Owned, published and written by young people for young people, they offer a forum for new journalistic and photographic talents. The result is fresh, irreverent and often fun. The quality of writing is quite high.

Like *le chic anglais*, these magazines are about a lifestyle, but it is one fraught with rebellion, violence and the harsh realities of life. With almost three million unemployed in Britain, many of them young people, there is not a great deal of fun out there, and these magazines offer their own answer. Fashion is no longer for those who can afford it: Fashion is about style, so make your own fun, make your own fashion, make your own magazines.

The Face, *I-D* and *Blitz* are all strongly graphic, but each has a different look. *The Face* is published and edited by Nick Logan, former editor of the New Musical Express, a pop-music newspaper. He is influenced by Russian Constructivism and the painter Alexander Rodchenko.

I-D is owned and run by Terry Jones, art director for the new-wave Fiorucci clothing company of Italy. This is apparent from the layout, which is street-style and comic-strip influenced. It looks amateurish, with typewriter print all the way through, but this is deliberate and clever, intended not to intimidate young readers.

Blitz is edited by Carey Labovitch, who started the magazine when she came out of Oxford a little more than two years ago.

While the look of each magazine is different, the approach is the same — blissfully liberated, with a lot of fun-poking at the Establishment and classic beauty standards. The idea is that fashion is a happening and should not be taken seriously. Examples of features range from "Beauty Without Cruelty" in *Blitz* to "Men's Where?" in *The Face*.

The latter article was a serious, thorough study of menswear designers and what they are all about today. The magazine points out that, while 10 years ago there was no glory in designing for men, today there is a new market between classic suits and sporty casual

clothes. Whether men will wear skirts, as Jean-Paul Gaultier would have us believe, is another story, but it was in England that Boy George started the whole androgynous look.

One of the most penetrating remarks in the article comes from a fashion stylist, Joe McKenna, who linked changes in men's fashion to changes in hairstyles.

"The fashion for long hair on men last year was a sure sign things were changing," he said in the article. "It wasn't so much the hair being long — hippies had done that — but the way it was styled, cut and well-groomed."

In all these magazines, the presentation of the clothes, also known as "styling," is as important as the clothes themselves and a sure way of giving a novel, bizarre edge to otherwise normal gear.

"Wardrobe Scramble" in the November issue of *I-D* advises the reader to "put on your clown outfit and invent your own label!" Among the offerings: "Continental Inter-City," showing a man and woman in men's styles. Captions describe the clothes and the wearers; in this case, the couple were "Micky, street boy" ("if Micky wasn't Micky, she would like to be her daughter") and "Claude, French adventurer."

"Dominatrix Vivens" shows three aggressive, black-leather-clad women. One, called Jill, who looks like a boy, declares that if she ever "comes back from the grave," she will be "Adolf Hitler, Ruth Ellis or Joan Crawford." Her look, which included a pair of handcuffs hanging from the waist, is described as "strongly connected with sex, violence and crime" — a notion that, somehow, even square fashion editors could figure out. If this is not lurid enough, look at the *Style* section of the November issue of *Blitz*, which features a red-painted couple on the cover (with the caption "Better red than dead"). *Style* opens with a double spread of a shaven creature sitting bent over on a park bench; it looks like a concentration-camp picture left over from World War II. The next page shows the same creature, a model named Julia, with the same gaunt, morbid look. The *Dachau* suggestion is made even stronger by her outfit, which resembles the familiar striped uniform but is in fact just striped clothes by such established designers as the Japanese house Comme des Garçons.

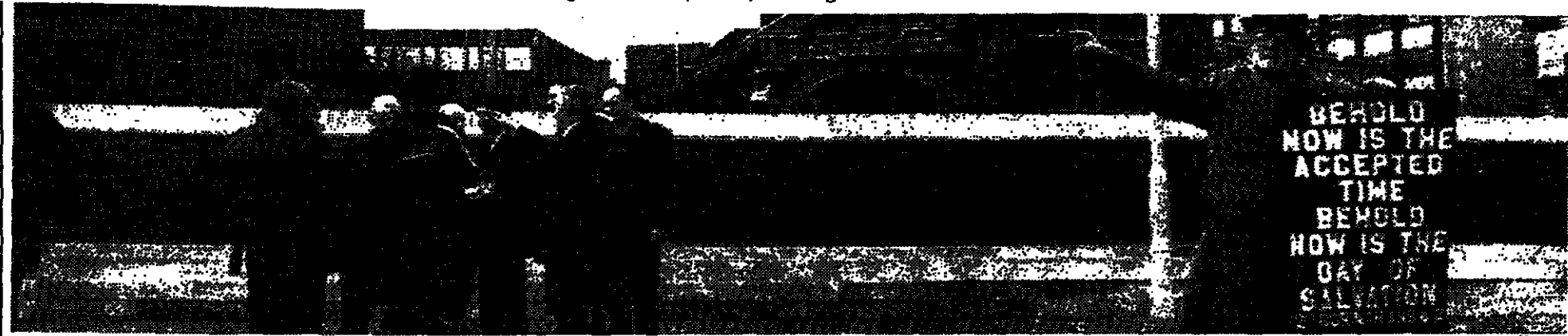
A feature called "Pst! Want to buy a watch?" in *Blitz* is more cheery. It features a would-be street peddler offering five different watches on his wrist — a new presentation of an old, potentially boring subject. "Take the Blame" in *Blitz* is about an outrageous jewelry designer, Judy Blame, who — you guessed it — is a man.

— HEBE DORSEY

A SPECIAL REPORT ON LONDON



Top, along the Thames; below, an evangelist near the Tower of London.



Room at the Top: A Handful of World-Class Luxury Hotels

By Eva Dadrian

ONLY a handful of London's three dozen deluxe hotels can offer the precise mix of style, traditional luxury, modern comfort and impeccable but unimpeachable service that sets a hotel apart as truly world-class. It's here that the rich and famous mingle with the powerful or the simply pampered.

The Ritz, in Piccadilly since 1906, is a landmark in luxury. Perhaps best known for offering the ultimate tea-time, when regulars such as the novelist Barbara Cartland nibble cucumber sandwiches while they sip an afternoon "cuppa," the Ritz is branching out.

Michael Quinn, the young British chef here, has demystified the menu by spelling out his meals in plain English, and introduced a set lunch at £10.50 where patrons can pick two of the three courses on offer—starters, main course and dessert. The diners are diverse: Queen Elizabeth II, the Archbishop of Canterbury and the entertainers Shirley Bassey, Michael Caine, David Frost, Barbra Streisand, Rex Harrison and Deborah Kerr are among those who have sampled the fare recently, the hotel notes.

Guests who decide to stay in for the evening may choose from cabaret, tea dances, music recitals or fashion shows featuring designs by the likes of Zandra Rhodes.

The managing director, Michael Duffell, pointed out that hoteliers have no tangible end product. "The only thing we do is offer dreams," he said. These are suite dreams: The Ritz has spent more than £1 million outfitting six new ones overlooking Green Park; they go for £380 a night. Single rooms are competitive with five-star prices throughout the capital: They begin at £80 a night. Special weekend packages bring the price down, and the hotel throws in champagne, chocolates and flowers: Ritz, but not stuffy.

The Savoy, managed by César Ritz when it opened in 1889, owes its grand theatrical flair to Richard d'Oyly Carte, the impresario who built this riverside pleasure palace with the proceeds of Gilbert and Sullivan operettas, many of which played next door at his Savoy Theater. Priding itself on personal service, the Savoy indexes the whims of guests in a special file system.

These can range from mildly eccentric to outlandish. One maharajah insisted on installing his own solid silver tub for his stay. A member of Parliament met daily in the restaurant with a prostitute, paying her vast sums, for years, to watch her gnaw on a raw carrot.

Because of its location on the Strand, the Savoy attracts businessmen who need quick access to the City of London financial district, and well-heeled journalists with dealings at nearby Fleet Street or Westminster. Covent Garden and the West End theater district are also convenient.

Along with the River Restaurant and the Savoy Grill Room, the hotel has opened the Thames Foyer, where casual meals are served between 10 A.M. and midnight. There are nine private banquet rooms, named for Gilbert and Sullivan works, plus five larger halls. Each of the 200 rooms has individual decor and color schemes, and regular guests return to their favorites. One of the opulent river-view suites is still referred to as Charlie Chaplin's.

Brown's in Mayfair is on a much more intimate scale than the Ritz or Savoy and seems more a home address in London than a hotel, despite its being part of the big British Trusthouse Forte chain. The restaurant is famed for traditional English fare, as befits an inn founded by Lord Byron's butler in 1837. It has long been a favorite with Americans.

Theodore Roosevelt held his wedding here, and

Alexander Graham Bell placed the first telephone call in London from the premises. (No, he wasn't trying to ring room service.) Now spanning 12 townhouses under preservation orders to retain architectural detail, Brown's has a discreet elegance.

Nothing is understated about the Dorchester, first of the big hotels on Park Lane, with 280 bedrooms and 70 suites. It caters to those who want every conceivable service under one roof. Long a favorite with film stars and financiers willing to pay up to £1,000 a night for the best suite, the imposing hotel recently underwent a facelift and is gearing service toward the international executive who ranks efficiency and convenience as necessities.

The news is considered part of breakfast, with The Times folded neatly on every tray, and the Prestel computer and telex in the business library are available for guests to use. Yet this workaday attitude does not interfere with the unadulterated glamour of the place, which draws guests such as the actresses Raquel Welch and Elizabeth Taylor. The late James Mason was a regular for 30 years, and Richard Burton also checked in frequently.

The enormous ballroom was the scene of King Faisal's London reception in 1963, and sheikhs and emirs have been returning ever since. No longer owned by the Dubai consortium that took it over in 1976, the Dorchester changed hands this summer and is now part of the Regent International chain. Plans are to air-condition most of the rooms and to maintain the distinctive decor at its present standard. Single rooms go for £90 a night.

Claridge's in Brook Street is known as a retreat for diplomats and royalty, and offers anonymity as well as five-star luxuries. Queen Victoria described it glowingly in a letter to her uncle, Léopold, king of the Belgians, in 1860. When the Savoy and the Ritz were

custom-built in the early 1890s with trans-Atlantic gadgetry, such as elevators, Claridge's was reconstructed by C. W. Stephens, who revamped the Harrods department store at about the same time. After reopening in 1896, it was able to surpass the grandest hotels in America. Today, visiting heads of state entertain the queen and members of the royal family at banquets in the ballroom. U.S. figures who have used the hotel include Henry A. Kissinger, Richard M. Nixon, Dwight D. Eisenhower and Eleanor Roosevelt. Winston Churchill was a frequent visitor, and he moved in hurriedly after his unexpected defeat in the 1945 general election. At few hotels can receptionists query an anxious diplomat demanding to speak to the king, "Which king?" This is said to have occurred at Claridge's, during the week of Princess Elizabeth's marriage to Prince Philip in 1947, when royalty was swarming over the capital.

When country squires come visiting London, they tend to seek out the bustle of Knightsbridge and stay at the enormous Hyde Park Hotel, which combines the ambience of an aristocratic country house and a private Edwardian club. The turn-of-the-century finery does not disguise thoroughly modern comforts such as air conditioning in most rooms, a frill that many of the older hotels have yet to install.

Its sister establishment on Park Lane, the Grosvenor House, is also part of the Trusthouse Forte Exclusive group. Designed in the 1920s by Sir Edwin Lutyens, the Grosvenor House is most noted for its serviced apartments, which go for up to £500 a night but can be rented by the year. Every time a guest checks in, his own individual key is specially cut. Whether security-conscious or merely exclusive, the policy does away with the return of keys on departure. A health club, open to all guests, enables the pampered clientele to get a workout—though most tend to take their exercise with a glass of champagne.

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A Bloomsbury Pub Crawl Leaves Room for Walking, Too

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ONE of the most congenial parts of London for a pub crawl is Bloomsbury, the district that stretches south from the British Museum to the few flower stalls remaining in Covent Garden. Be warned: You won't find any blue plaques identifying the pubs where Virginia Woolf and John Maynard Keynes did their drinking. That's because publicans only remember their unruly guests, and the Bloomsbury set was too refined to misbehave anywhere but in their own drawing rooms.

The Bloomsbury pubs are accessible from the Holborn and Russell Square tube stations. There are many good hotels near the British Museum, but the tourists there usually leave the local ale houses unvisited and set out for the more sensational pubs, such as those in the East End that are haunted by Jack the Ripper's victims. In Bloomsbury the ghosts are well-mannered enough to remain in the pub washrooms, at least until the 10 o'clock bell rings for the last round.

But the best reason for visiting the Bloomsbury pubs is that so many of them serve true ale. As opposed to the stuff the big British breweries produce, real ale, made from barley mash and water, is "alive." It is transported in pitch-lined casks, which are rolled down a chute into the pub's cellar. If the ale takes five days to recover from this trauma before it can be drunk, it takes far less time for the tourist to recover from one of these three-hour pub crawls around Bloomsbury. There is plenty of walking between pubs to sober you up.

The guide from London Walks wore a Burberry raincoat and a tweed cap. He seemed like the kind of scholar or barrister you'd expect to find in the Bloomsbury pubs, until he opened his mouth.

"Deep down, you knew it would happen," he told a middle-aged

London couple. "And here I am, a farm boy from Wisconsin who is going to show you around your own city."

The first stop on the tour was the Princess Louise, 208 High Holborn, a few steps from the Underground. Britain has about 70,000 pubs, and some 20,000 of them are "free houses," like the Princess Louise. This means they are not tied to a major brewery and can serve whatever ale the publican likes. If an establishment is a free house, it will be indicated along with the name of the pub.

The risk involved in drinking in a free house is that the quality of the ale depends on the publican's conscientiousness. In the old days, if the alewife mixed up a particularly potent brew, the pub was obliged to chalk up a notice warning drinkers to order pints of the stuff, not quarts. That, some say, is where the expression "Mind your p's and q's" comes from.

The Princess Louise, with its patterned plaster ceilings and 23 large cut-glass mirrors, is such a fine piece of Victoriana that the government has issued a preservation order on it. The London Walks guide recommended that the ladies in his tour group descend to the washroom, which was said to be inhabited by the ghost of a jilted porter.

from Covent Garden. A woman from Eureka, California, came back shaking her head: "I don't know. My friend clicked off the lights as a joke. But then the hand dryer turned on without any one touching it."

Next, the guide stopped at the Museum Tavern, 49 Great Russell Street. It is the pub for which Egyptologists and scholars doing research at the British Library, across the way, make a bedtime. Karl Marx took breaks at the tavern while writing "Das Kapital." This pub is not a free house, but it has on tap an excellent ale called Abbot's Green King. The publican gives tours of his leaky vault and, for 50 pence, lets visitors have a mouthful of ale from the keg. The same amount will buy you a half-pint upstairs.

The Queen's Larder, 1 Queens Square, is close to Harley Street, where for at least 150 years it has been prestigious for doctors to have

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their offices. King George III was a frequent visitor there, for legends of doctors tried to cure him of his belief that he was an animal on Noah's Ark. His wife kept a ladder of George's favorite foods where the pub now stands, to console him immediately after his medical appointments. The preferred ale at this free house is Flowers, perhaps because that is what the good king was reported to have chewed on during his bestial moods.

Nowhere is the British class structure more evident than at the Lamb's Pub on Lamb's Conduit Street. The bar has revolving glass windows that allow the customers

to place orders and then shut out the prying eyes and ears of the hired help. Nowadays, the windows are ignored. It is also worth strolling further down Lamb's Conduit Street to the Sun House, which has more than 50 varieties of real ale on tap.

For guided walks around Bloomsbury and other parts of London, telephone London Walks, 882-7763.

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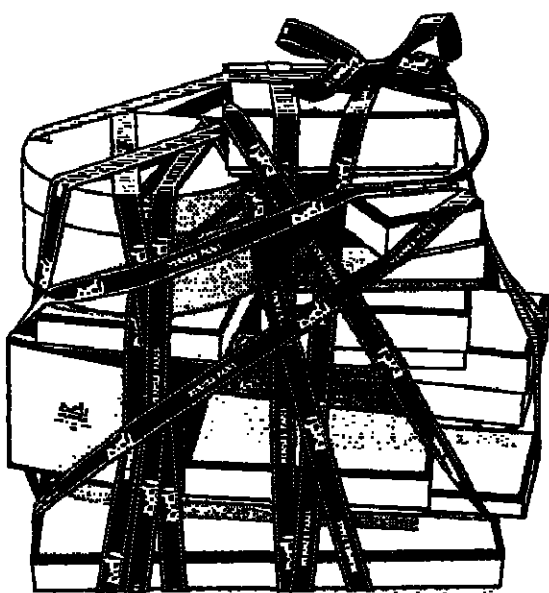
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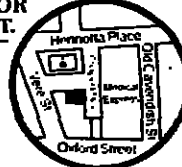
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A SPECIAL REPORT ON LONDON



Inside the British Museum.

The Press: Bingo, Giveaways and Other Coups

By Stephen Hugh-Jones

ONE pastime of the rich, yacht racing, was once described as being like "standing under a cold shower tearing up £5 notes." But it has nothing on the popular millionaire occupation in London these days: owning a daily newspaper.

Fleet Street's tycoons this year have been falling over each other to hand out not fivers but £50,000, £100,000 or, since September, £1 million to their readers.

The London-based "popular" papers, with nationwide circulation in the millions, have never been oversold. "Dallas," "Princess Di," "Boy George" and the latest dismissal of a football club manager are their meat and drink. Every male in Britain knows what to expect on Page 3 of the Sun, and if she were to put her clothes on for two days running, the paper's owner, Rupert Murdoch, would probably fire its editor — and have reason to.

But this year has been something else again. Fleet Street "bingo," promising readers of the right newspaper instant wealth if their card bore the correct numbers in some game, was invented in 1981 by Lord Matthew's Daily Star, back-runner of the five popular. Once the Star started it, the others had to pile in: the Daily Express, its close rival, the Daily Mail, being a bit coy about soiling its genteel hands; the Daily Mirror and, above all, the Sun.

The Mirror and the Sun have been leading from the day Mr. Murdoch left Fleet Street from his successes in Australia. Sex, silliness and rightist populism had long enabled the Sun to topple the pale-pink Mirror (which still makes the mistake of printing a little solid news, if you know where to look) into second place.

Then, in a sudden coup this summer, the Mirror was bought by the

printing and publishing magnate Robert Maxwell. The Czech-born Mr. Maxwell is a larger-than-life figure: holder of a Military Cross, won with the British Army in World War II, former Labor member of Parliament, target in the early 1970s of a ferocious verdict from an official inquiry into the way he ran his then-public Pergamon group. For many years he had wanted to be a Fleet Street baron. Mr. Murdoch had beaten him, by his reckoning, in attempts to buy the Sun, the News of the World and The Times. Now he had his chance.

Bingo was his chosen weapon. The Mirror — or rather, Robert Maxwell, since its whole whirlwind campaign of publicity has been built round, virtually edited by and indeed sometimes written by the new boss — would make one of its readers a millionaire.

So it said, and so it has done. The trouble was, the Sun, to Mr. Maxwell's fury, got there first. Other papers have since gone the same route. The foreigner arriving at an Airport newsstand blazoned with front pages announcing that the pinball salesman Joe Soap has just won this month's million quid may wonder what the fuss is about. The British public is beginning to agree. This autumn the popular dailies' combined circulation, 13.5 million, was up about 3 percent from a year earlier — no huge rise, and no one paper had any huge share of it. Even the bingo tycoons are starting to get cold feet.

How very different, one might think, from the staid life of the "quality" press: the three Sunday heavies, the Sunday Telegraph, the Observer and the Sunday Times — not up to U.S. weight yet, but busy-building assiduously — the home-counties Daily Telegraph, the radical-chic Guardian, the Financial Times, The Times (no kin) — the enduring voice of all that is most British.

And how wrong one might be. The (Murdoch-owned) Times is speeding down-market in hot pursuit of the Telegraph's readers. The chase is spearheaded by some flying columnists whom Genghis Khan would have dismissed for far-right deviationism. Close behind come some feature and lifestyle pages of the lively, lightweight sort that earlier Times journalists would have used as scratch paper for their crossword solutions or Latin quotations. But The Times's secret weapon is... bingo, cunningly, if thinly, disguised as the movement of share prices.

It has worked. When The Times brought in its "Portfolios" game last summer, it added 80,000 to its 380,000 circulation almost overnight. And, more impressively, it has kept it.

The Telegraph has yet to respond. No surprise — it has slept amid its (literally) dying readership.

Although the range of current English literature, from novels and biographies to poetry and drama, is wide and its standards encouragingly high, the proliferation of titles has made it difficult even for some well-known authors to make a reasonable income. Publishers do not have time to give each book proper care and attention, and readers find it increasingly difficult to find their way through an incoherent jungle of print.

Some coins did drop into authors' empty purses last year when, after 30 years of campaigning, a plan was put into effect to pay writers from central government funds for the use of their books in public libraries. Britain has traditionally had an excellent library service — to the detriment, some say, of its book-selling business, which is poor. But recent cuts in local government funding have

for years. If you want the real voice of the Britain that won the battle of Mafeking, buy now, before it wakes up. You will, by the way, also get the most comprehensive home news in Fleet Street, the widest sports coverage, and sordid up-market divorce cases in detail that the populars cannot challenge.

If it is uplift you seek, try the Guardian. It wears its heart permanently on its two left sleeves, and its readers, while few of them may believe in Him, have a personal line to God, at least to judge from the letters they write to its editor. When the self-righteous receive their just reward, these will be at the head of the line.

Let it be said that some of those letters come, unsigned, in anonymous brown envelopes, from the inmost recesses of Whitehall: the Guardian has received more and better leaks about the secret thinking of the Thatcher government than any of its rivals.

As for the Financial Times, its admirers reckon the FT is not just the best business paper in the world, but the best daily in London as well. This is arguably so — when there are any copies in London, as there were not, intermittently but for week after week, earlier this

autumn, thanks to its printing workers.

The FT's labor troubles closed it for 10 consecutive weeks last year, giving a curious twist to its advertising slogan, "No FT, no comment."

The Times vanished in a strike for almost a year in 1978-1979, was bought by Mr. Murdoch in 1981 amid the kind of flurry the British normally reserve for royal births, and was shaken to its ancient foundations when its editor was summarily fired (normal pop-press behavior, but not at the voice of Britain) a year later.

The Observer, bleeding heart among the Sunday heavies, was also bought in 1981, by an entrepreneur in the Maxwell mould, Roland W. "Tiny" Rowland, founder of the giant Lorrho group. This year, he had a flaming public row with its editor over a story about atrocities in Zimbabwe, where Lorrho has interests. Lousy reporting that should not have appeared in the paper, he told the editor — who happened to have been the reporter, too. Both survived.

Sober and stable as they may sound, London's upmarket papers live just as excitedly as their flashier cousins.

The Publishers: Upheaval In a Gentlemen's Occupation

By Michael Holroyd

THE MOST successful feature of government policy in Britain recently has been its curb on inflation. The inflation of words among London publishers, however, continues to grow.

Thirty-five years ago they brought out a little more than 15,000 titles. Today the number is a little more than 50,000 a year, leading people to speculate whether there are more writers than there are readers these days.

At the depth of the recession a few years ago, publishers were obliged to dismiss many of their staff members and swear solemn oaths not to expand their lists. All this is now forgotten.

The expansion has partly been instigated by conglomerates that have bought their way into publishing houses and wish to see a good profit from their investments. They know nothing of books, and they know nothing of the old-fashioned profession of publishing, which Frederic Warburg called "an occupation for gentlemen." Recently a number of publishers have decided to change their jobs and join smaller, independent firms, having found it impossible to reconcile their editorial principles with company policy.

Although the range of current English literature, from novels and biographies to poetry and drama, is wide and its standards encouragingly high, the proliferation of titles has made it difficult even for some well-known authors to make a reasonable income. Publishers do not have time to give each book proper care and attention, and readers find it increasingly difficult to find their way through an incoherent jungle of print.

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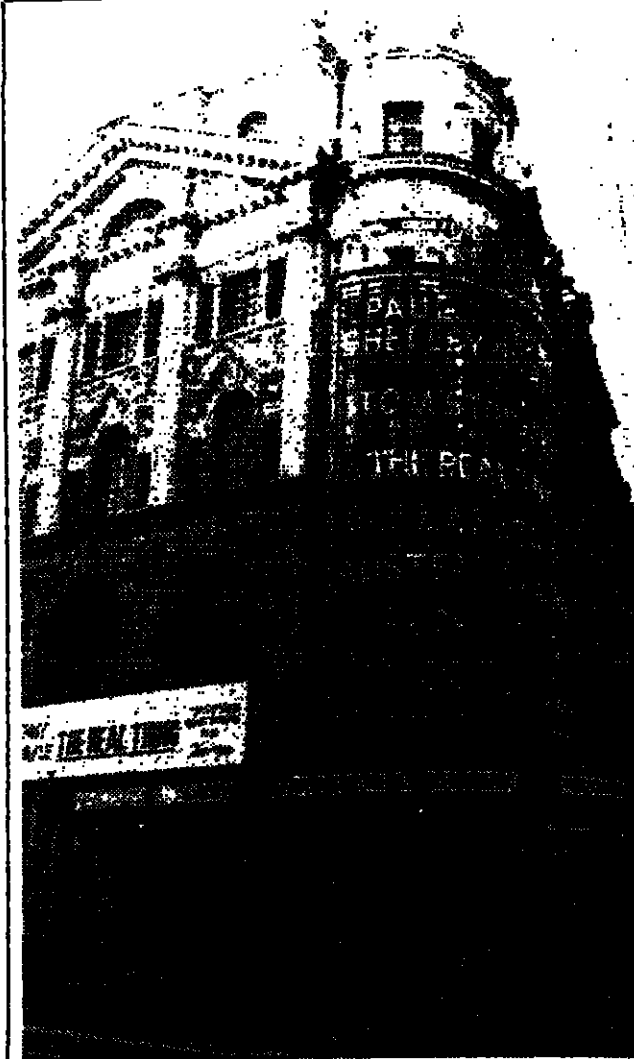
dangerously depleted library purchasing power, and since there are so many books now, some librarians are having to consider giving up buying fiction, according to the Bookseller, the official organ of the book trade.

Many initiatives in recent years have been aimed at helping book buyers. The Book Marketing Council has held a number of campaigns signaling a few of the "best" young novelists, science-fiction writers and so on, and promoting their books through the main bookstores for two or three weeks.

There has also been a proliferation of prizes. The National Book League's Guide to Literary Prizes lists well over 100 awards and, at first glance, brings to mind the Dodo's verdict after the Caucus-race in "Alice in Wonderland": "Everybody has won, and all must have prizes." There are medals, checks, diplomas for poets in Northamptonshire with oenures of up to 20 lines, men and women who wish to improve Franco-British relations, or promote "wit, style and lucidity in treating medical subjects," or deal with manual workers "in or about a coal mine" — a rare group these days.

By far the most famous award is the Booker-McConnell Prize for Fiction. Other prizes often provide the author with the sort of money he or she might reasonably expect to earn from sales but actually never will: these are the prizes of consolation. But the Booker-McConnell Prize increases quite substantially the sales of all its short-listed titles.

Every year there are different judges. Most often they include an academic, a literary editor, a novelist, perhaps a poet or biographer, and someone who represents the general reader (this year it was a member of Parliament). Their aim, initially, is to select five or six novels from the hundred or more that are submitted by publishers. It is a lottery where, if it is properly administered, the better books receive the most tickets; after that it is a matter of luck. The final selection, made on the evening of the prize-giving dinner in October, attracts the agonized attention of press, radio and television. The announcement of the winner and the handing



Theater: Musicals Bring A Revival of the West End

(Continued From Page 7)

"Chess," to name but two of the biggest — as well as a return to the small-scale English musical: "The Boy Friend," in revival, will soon be joined by "Me and My Girl," the 1930s musical that gave us the Lambeth Walk and is now likely to be given a joyous welcome by those who believe that in musicals there's no score like an old score, one you can hum not just on your way out of the theater but also on your way into it.

With the pound still sinking fast toward parity with the dollar, London theatergoing remains one of the best tourist bargains, with top prices even for musicals hardly breaking through the £12 barrier, less than half what their equivalents would cost on Broadway. Accordingly, what we have is still very much a tourist theater of safe revivals (the trans-Atlantic success of "Nicholas Nickleby" being reflected by Christmas stagings of "Hard Times" and "Great Expectations"). The seeker of new or risky dramatic work will have to venture toward the pubs and clubs that constitute London's Off-Off-Broadway.

Those in search of big old stars as well as big old shows will have a more difficult search this Christmas. Male names especially tend to be fewer and further apart than ever before, though it is a strong season for great female turns: Maggie Smith and Joan Plowright in "Way of the World," Glenda Jackson as "Pedra," Helen Mirren in the Broadway rapist saga "Extremities" and Nicola McAuliffe in three monologues written for her by Arnold Wesker under the group title "Ammie Wobbler," at the Fortune.

Those in search of male stars will have to turn to a couple of comedies: Donald Sinden in "Two Into One," a classic bedroom farce; and Paul Eddington in a revival of Alan Bennett's brilliant school-play history of modern Britain, "40 Years On."

The subsidized theater landmarks include the Ian McKellen "Coriolanus" at the National and the Judi Dench "Mother Courage" at the Barbican. Elsewhere it is a season of caution and dollar-counting conservatism, one in which the British theater seems to be looking so far back over its shoulder as to be in imminent danger of breaking its neck.

What will come after the festive-and-awards season will, I suspect, be another batch of empty theaters in the harsh cold of February and March. Beyond that, it is anybody's guess, though I would hope that some of the unusual profits of the last year might be invested in new writers and new productions of new plays. It is debatable how much longer we can all go shuffling off to Buffalo without losing some of the native energy and excitement of the British theater. Already in New York it is clear that the eyes of talent scouts are focusing on Chicago rather than London as a source of hits.

over of a check for £15,000 (tax-free) is the high spot of the publishing year.

Books, of course, are not written in competition and cannot be declared undisputed winners as in a horse race. Yet it is extraordinary how much malice, rancor and blatant misunderstanding this prize has attracted.

Its modest intentions were to assist book buyers with a few recommended titles among the plethora of novels appearing each year, and to reward one good writer. The winner this year was Anita Brookner's "Hotel du Lac." The book had received favorable reviews, as had her two previous novels, and it was difficult for anyone to claim that she was not an excellent writer. Nevertheless, people managed to pump up a good deal of fury.

It was argued that she was merely a miniaturist; that this was putting the clock back to Jane Austen; that here was British insularity at work; that there were other novels on the short list (particularly J. G. Ballard's "Empire of the Sun") far more imaginative and of larger scope. It was even alleged that Ms. Brookner had falsified her age — though she countered this with a letter to The Times stating that she was definitely 46, and had been so for some years. It was good to see, among all the hubbub, that she had retained her humor.

But what does the hubbub signify? Publishing in London cannot be segregated from the rest of life in Britain, which sometimes seems to be in a suspended state of civil war. Much generosity has leaked away in the climate of unemployment and insecurity. Publishers are fearful of their proprietors; and some authors feel that the power of the written word has moved to television. There are doleful rumors, too, that the government plans to introduce a value-added tax on books next spring. Every organization in the book world, from the Society of Authors to the Publishers Association, is united in opposing this, and it will certainly improve the morale of all if they are successful.

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Those Superstar Tenors

by Will Crutchfield

NEW YORK — What personable and charming tenor could regularly sell out 10 New York recitals in a season, along with 10 in Boston, four in Chicago, a pair in San Francisco and so on across the country, all to crowds of 6,000 and up? What chubby but ardently romantic Italian could regularly send Metropolitan Opera ticket lines round the block? Has to be Pavarotti, right?

Actually the descriptions fit John McCormack (1884-1945) and Enrico Caruso (1873-1921) with more precision. The fact is that Luciano Pavarotti is the leading contemporary example of a phenomenon that has a history, and the current chapter in that history belongs to Pavarotti and to Plácido Domingo.

Is it good for opera, this superstar phenomenon? You'd think the answer would be an uncomplicated yes, but there are many concerned observers who grumble about it. Mightn't it lower standards, distract from real singers, siphon off support rather than swell it?

There are legitimate questions here, and they are not entirely new. Caruso and McCormack are the principal examples from the first quarter of the 20th century. Their names were household words to millions who had never set foot in an opera house. They sang popular ditties for the dozen, and bore their share of criticism for it. Within the operatic world of their day other tenors were esteemed just as highly, or nearly so (many preferred Alessandro Bonci to Caruso, and incredible as it seems now, there were critics who would not take McCormack with complete seriousness).

So have a select handful of tenors since: Beniamino Gigli did it in Italy and the United States in the 1920s and '30s; likewise Richard Tauber in Germany and England at around the same time. Fritz Wunderlich had something like that status at the time of his tragic death in 1966. Joseph Schmidt and Marj Lanza tapped the popular half of the phenomenon, but not on the operatic stage.

Why tenors rather than baritones or basses? In part it's their type-casting in the romantic leads of Romantic opera. But there's a strong, irrational appeal in the cry of the tenor voice itself, so high above the range of speech; it has embodied for nearly two centuries poetic melancholy, the yearning of the outcast, the despair of the exile or the star-cross'd lover, and the tragic exaltation of doomed joy.

Why Pavarotti today, rather than any number of other tenors (since, to be fair, it must be admitted that his success paved Domingo's way to the popular market)? In large measure it must have to do with the Italian tenor's keen sense of his own appeal, and of course with the very genuine excellence of his best singing. There may also be something in the fact that he is Italian, heir to a tradition and a certain kind of emotional magnetism that has been often approximated but never quite penetrated by other nationalities. The sense that he is currently the sole great representative of a possibly endangered species may contribute. Television has something to do with it, too: Pavarotti is the first tenor to exploit its potential, as Caruso was with the phonograph.



Domingo in "Traviata" film.

But exploitation of television — celebrity television — for the promotion of opera does not sit comfortably with some observers, who fear the dilution of opera in the popular mind to one more quickly digested and mass-packaged item for the entertainment market. "I do not know," said Pavarotti recently, "whether my fans follow me into the opera house. I hope they do." He pointed out, and the facts back him up, that the music he sings to them is largely straight opera, backed up with the songs of the genre that has been ancillary to the Italian operatic tradition for at least a century.

Domingo has ventured much further afield, but has done so almost exclusively on records. "If I were in this for the money, which some people have accused me of," he objected in an interview, "I would cut back to 20 operas a year and do 50 or 60 concerts in big stadiums. I could get the same fee as Pavarotti, you know. But as it is I do four or five. I am working in the opera houses — that is where my career is."

The ramifications of all this are myriad. One worth looking at is the odd position in which it puts musicians and critics vis-à-vis the "outside world," which adores Pavarotti and writes off distrust of him within the ranks to sour grapes or reflexive picking on the man on top. The insiders can't adore him in quite the same way, even if they like his singing, and perhaps some of the muttering about him has its basis in a frustration that stems from this.

The trouble is that one wants to applaud the work of a successful missionary and at the same time maintain standards, both of singing and of critical examination — and that is sometimes a difficult balance to strike.

So it might be useful to engage in a brief bit of critical scrutiny — not an explanation of the tenor phenomenon, but a partial,

necessarily incomplete glance at some superstars as singers. Just to show how it works.

Let's take today's duo and, for historical context, Caruso and McCormack, to represent the tenor stars of yesteryear. A fair meeting ground is "Una furtiva lagrima," Nemorino's tender romance from Donizetti's "The Elixir of Love" and a frequent Pavarotti encore. It involves no extremes of range (all four of these tenors, as it happens, were or are frequent transposers downward of the highest arias) and poses no elusive intellectual questions of interpretation. It is the sort of solo with which a crowd-pleaser would be expected to please or a charmer to charm. But it also makes demands of the kind by which the opera professional or fastidious listener judges excellence: a test-piece for bel canto and vocal control.

START with Pavarotti. The first impression is of sheer beauty, of sound as a sensual experience. There is also sensitive phrasing and fervent, heartfelt pronunciation of the text. A few faults, too: some tightness on the high notes, perhaps; a feeling that he finds it less comfortable at some times than at others to soften the tone; and sloppiness, indistinctness on the little rising notes in the second line of each stanza.

Domingo, by contrast, sings these clearly, and his voice sounds splendidly even from top to bottom. On the other hand, there is nothing in the least tender about his interpretation in the recording conducted by Carlo Maria Giulini: he sings quite loudly from beginning to end, and quite strictly in tempo.

These are the areas in which the difference between then and now are most marked. Caruso (in the 1904 recording, though the same points could be made from the 1911 one) displays every aptitude for well-focused soft attacks, echo effects and diminutions. As a result he is able to let his voice blossom in a long, thrilling crescendo just as the music blossoms into the major key.

What he does immediately afterward, on the line "She loves me, yes, I see it," is even more extraordinary. Caruso presses the tempo, rushing passionately to the high note, and then as he descends he stretches it lovingly, softening to his tenderest tones for "I see it," and drawing out the repetition of those words, in exquisite sound, at delicious length. This is as superb an example as one could ask of the art of rubato, and it's not easy either, since the phrase in question curls around what tenors call the *passaggio*, the tricky notes that are no longer middle but not yet high. There is nothing like it on the modern recordings.

Nor is there quite the passion, though there is the lingering, on McCormack's 1910 recording. But the immediate realization as he begins the aria is that here is a man in complete technical control of his voice. He is the only one of the four to attempt a diminuendo on the final cadence. Each of his opening phrases describes an easy, flowing curve. The difficult attacks (the *passaggio* again) are clean. So are Caruso's, but by comparison one realizes that the Italian is slightly less comfortable, and today's pair of superstars less yet.

The cadenza — a relatively easy one — is done well by all four, but McCormack's is

Continued on page 14



Lily Szenasi at table.

At the Conversation Table

PARIS — If Eleanor Rigby had only known Lily Szenasi, her life would have been warmer and the Beatles would have lost a great song. All the lonely people — in Britain alone it has been estimated that they add up to one quarter of the population — need Lily Szenasi.

Mrs. Szenasi's mission is to cure loneliness and her solution is stunningly simple: to set up conversation corners in such places as restaurants, cafés, theaters and parks where strangers may freely meet and converse. She even pushes her otherwise amiable idea to

theater director Silvia Monfort and from the director of the Galeries Lafayette's cafeteria. "He said it wasn't a good idea, but a brilliant one," Mrs. Szenasi reported. "I did not contradict him."

The problem is to break people's habits. "The only thing that is difficult is to make people understand that there is nothing that makes it impossible to talk to each other."

"Our desire to talk to people is a very natural thing and is almost the basis of our social being. There is nothing wrong with it. Being lonely is like looking for sand in the Sahara — there are so many other lonely people. Yet there is no communication. The word communication makes me a little bit laugh." Mrs. Szenasi laughs, a little bit. "It is always a question of communication, which is a complicated and technical thing. People forget the most simple and elementary communication — to talk to each other."

MARY BLUME

setting up conversation corners at breakfast tables in resort hotels.

Breakfast! "All right, you don't want to," Mrs. Szenasi says soothingly. "But imagine a Swiss hotel — not just people who are alone but couples who no longer have much to say to each other. They know they can sit alone if they prefer, so why not give a conversation table a try? It would give some atmosphere, there is so much boredom and emptiness."

Mrs. Szenasi has already set up conversation spots in Brussels where she lives — she was born in Hungary, where people talk a lot — and has made headway in Switzerland and even in Stockholm, where she put up signs in English that said, "Come here, let's have a talk," and got Swedes to chatter away, even if their most frequent comment was how cold other Swedes are.

"What do I give? Just words, a piece of bread for those who are hungry for some friendliness," Mrs. Szenasi said in the large, bleak Café de la Paix near the Opera. Mrs. Szenasi says she could set up a conversation corner in the café in a flash and she probably could. She is a comfortable and friendly woman who can talk — and sing — a blue streak.

Mention of "Eleanor Rigby" prompts her to sing a five-verse song of her own composition entitled "I Invite You to My Table."

I invite you to my table
So we can break the loneliness
Now this seems a little crazy
But very soon it will be blessed.

It may seem a little crazy, but Mrs. Szenasi is a totally serious woman who has had three letters on varied subjects published in Le Monde. She has written to many prominent people about her conversation corners and in Paris has had warm reactions from the

theater director Silvia Monfort and from the director of the Galeries Lafayette's cafeteria. "He said it wasn't a good idea, but a brilliant one," Mrs. Szenasi reported. "I did not contradict him."

The aim would be to have clearly designated conversation corners wherever people gather (Mrs. Szenasi got the idea while waiting in an airport). "What I would like to emphasize is that the place is clearly designated. Here you can talk, and why not?"

"It is a taboo that you do not talk to strangers, but why? In certain places we could lift the taboo. Most relationships start by chance. This is a way to multiply the chance. And without cost or risk. People do not have to say their names, they can come and go as they like."

"I think it's a very good idea because it's so simple. It doesn't ask for any kind of engagement, no payment, no names, nothing. It's just a spontaneous way to talk to people. And you don't lose your freedom because if they are in specially designated places, people who are not interested simply do not go. And those who go know that people are just there to talk."

GETTING them to talk isn't always so easy, Mrs. Szenasi says usually a woman such as herself is needed to break the ice. "It is better if a woman does it and even a woman of a certain age. If it's a gentleman who says to a woman, now you sit here, she doesn't know what he wants. If it's a young woman, it can sometimes give ideas to a man, and if the woman is young and beautiful it makes other women jealous."

Having gathered a tableful of strangers, the problem is to get them talking. No problem at all, says Mrs. Szenasi. "Within five minutes they are speaking." About what?

"We expressly avoid politics and religion. The weather can be a good subject but I try to avoid this because it is really too empty. I try to be personal without being personal. I don't ask what is your profession, are you married, how much do you earn? Never ask things that people might take as an intrusion. You just talk about yourself or something neutral."

THOSE who talk too much about themselves, especially their illnesses, are tactfully silenced. Those who are too curious are politely put off. "If people ask a question that is indiscreet, I say I'll answer that another time."

"Some people come for two weeks and don't say a word, there is so much inhibition. It is not a question of intelligence, it is a question of needing exchanges. I cannot guarantee whom you will meet, but I can guarantee that you will have someone to talk to. Many people say this has changed their lives."

"According to my theory, for some people to meet somebody unpleasant is better than to meet nobody at all. If the other person is intelligent, it is a pleasure. If the other person is stupid, it is a pleasure to feel oneself intelligent."

Mrs. Szenasi says her scheme would make money, as well as ideas, circulate. "I think in the economic field it could be very important because those people are retired from every kind of economic life. For those people to go to a theater, to have a meal and not just a sandwich — they just don't do it, you know. Days pass where they don't talk to anyone. This lack of contact is general — it exists in every category and at every age in all our Western nations."

Sponsorship is needed to get the conversation corners going and Mrs. Szenasi is full of hope. "It is only a question of starting. For everything else you want to do, you need money. For this you don't even need money. Just courage."

"You don't know whom you'll meet. It is discovery. If you already knew whom you would meet, what would be the point of meeting them?"

As a test, Mrs. Szenasi was requested to strike up a conversation with a lone young woman at the next table. "This is very bold," she said, taking a deep breath. Within seconds the two women were deep in conversation and they hardly noticed a journalist tiptoeing away into the crowded boulevards and the sounds of silence.



Luciano Pavarotti.

The City That Would Have Been Germania

by John Curtin

"Your husband is going to erect buildings for me, the likes of which haven't arisen in four millennia."

Adolf Hitler to Albert Speer's wife, 1942

BERLIN — Hitler's plans to transform Berlin into a showcase of Nazi power and a suitable capital of the world began to crystallize in 1937, when he appointed Albert Speer as the city's Generalbauinspektor, or General Building Supervisor. The Führer's chief architect had a mandate to perform an operation on the 700-year-old metropolis that involved more than cosmetic surgery. Berlin was to be carved up by massive avenues, defaced with

colossal buildings, sprinkled with bombastic monuments and rechristened Germania.

Just what Germania would have looked like if Speer's plans hadn't been buried under a pile of rubble by Allied bombs toward the end of the war is to be seen in an exhibition that runs to April 30 at the Landesarchiv in West Berlin.

"From Berlin to Germania" is based on some of the thousands of missing drawings and documents related to the building project, which were uncovered two years ago in the city's Finance Ministry. They are supplemented with photographs, models and archive material.

A map of Berlin near the entrance to the exhibition reveals just how extensive the plans for redeveloping the city were. Speer's jurisdiction — marked in red — extends to

all corners of the capital, engulfing more than half its total area.

Slated for particularly intensive work was the land allocated for the sweeping east-west and north-south axes, huge intersecting avenues that would split the city in four. They were the arteries of a Nazi utopia of frightening dimensions, projecting power at every corner.

The north-south axis, or Prachtstrasse, was to be graced with two extraordinary structures designed by Speer. They were based on drawings Hitler had done while in Landsberg prison in Bavaria in 1925. Taking a break from writing "Mein Kampf," the would-be architect had dreamed up a mighty triumphal arch to dwarf Paris's Arc de Triomphe, and a Pantheon-like building of staggering proportions called the Grosse Halle, or Great Hall.

Speer's task was to bring these and dozens of other architectural monstrosities to completion by 1950, the year the city was to be given its new name. The Nazis were convinced that by that time, Germania would be the capital of the world.

THE thoroughness Speer applied to his job and the progress he made in a relatively short time are documented in the show and its accompanying catalog, subtitled "On the destruction of the Reichshauptstadt through Albert Speer's redevelopment plans."

The realization of the Great Hall presented the most difficult engineering challenge of the project. The base of the of the granite-and-marble structure was to measure 315 meters (340 yards) by 315 meters, the length of three football fields. It was to be covered with a massive dome rising 290 meters and capped with a German eagle clasp the globe. A model of the building is on show.

Doubts about whether the subsoil could support the 21-million-cubic-meter structure, designed to hold 180,000 people, had to be resolved through complex and costly ex-

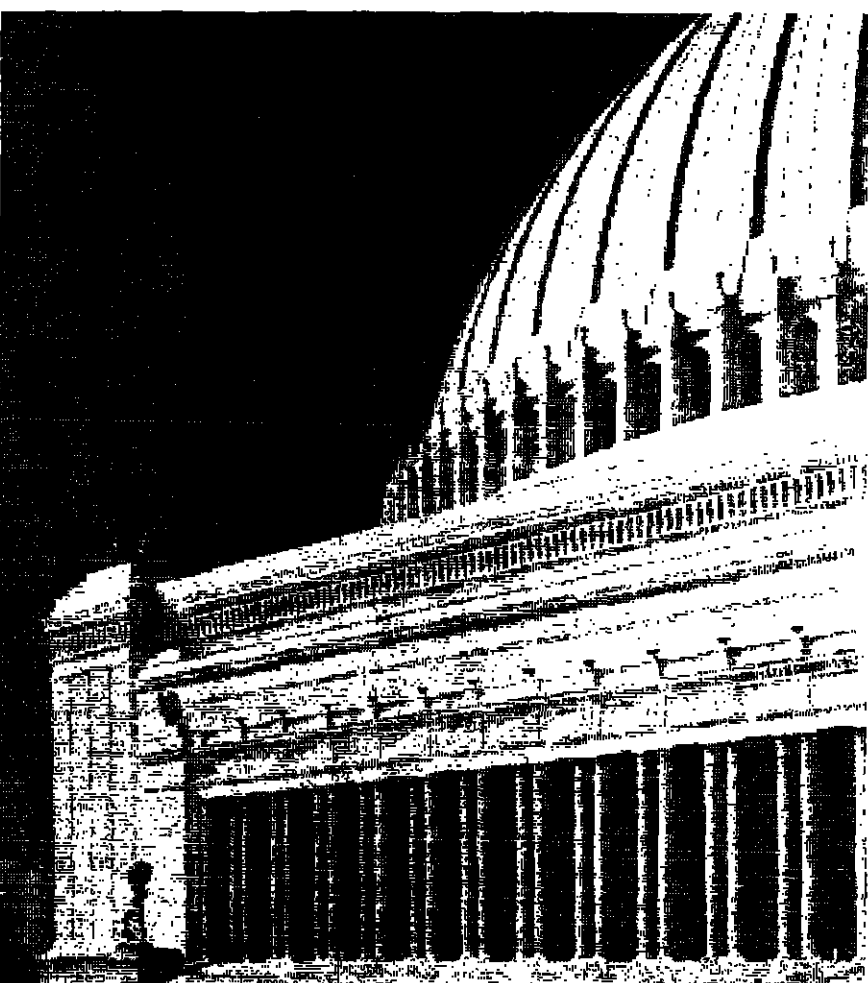
periments. There was also the problem of possible cloud formation inside the dome, since it was to be open at its base. Thermodynamic control of the air in the upper regions of the building was the only solution. This would insure that it couldn't rain on the Führer during one of his long speeches to the people.

Among the other structures documented in the show — with the help of drawings and photographs — are the new city hall, two enormous train stations and the IG Farben office building. Also to be seen are plans for a 1,200-meter-long artificial lake as well as an Adolf Hitler Square and the Adolf Hitler Palace. Speer generously allotted two million square meters of ground to the latter.

"It's Guinness-Book-of-Record architecture," says Wolfgang Schäpe, an expert on Nazi architecture who has spent more than a decade studying Speer's plans and wrote most of the exhibition catalog. The architects of the Third Reich were far more concerned with superlatives like "the biggest" and "the most powerful" than they were with aesthetics, Schäpe says. "It's aggressive architecture that says 'no' to the individual and 'yes' to the masses."

Parks and trees played little part in Speer's plans for the city. Berlin was to be swamped in an endless sea of stone. Setting the tone was the seven-kilometer-long and 140-meter-wide Prachtstrasse, which was to be spanned by the huge granite triumphal arch. "One of the purposes of the exhibition is to show how inhuman this architecture was," Schäpe says.

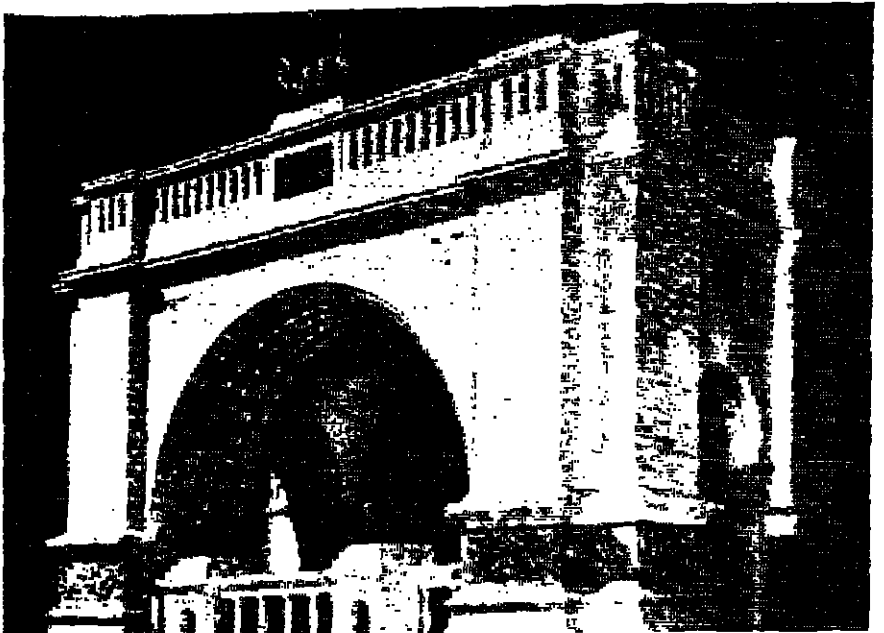
Inhumanity was also the key word when it came to the implementation of the redevelopment plan that involved destroying the homes of some 200,000 people as well as such historic buildings as the Kroll Opera. When demolition work began in 1938, the first residents to be evicted were Jews, many of whom were not provided with alternative accommodation. Prisoners of war and forced labor from occupied countries were used on the project later on.



Model for the Great Hall.

Meanwhile, Europe was being scoured for the enormous quantities of granite and marble needed for construction. A photograph in the catalog shows prisoners of the Flossenbürg concentration camp hewing immense blocks of stone from a quarry. Destination: the Reichshauptstadt.

"Berlin wouldn't have been Berlin any more," if the project had been completed, Schäpe says. One of the surprises of the exhibition is the discovery that many of Berlin's landmarks would have been destroyed by the Nazis even if they had not been destroyed by Allied bombs.



Speer's triumphal arch design, based on Hitler's idea.

TRAVEL

Christmas Shopping: Edible Brussels, Tangible Paris

by Calla Jones Corner

BRUSSELS — Eating *frites* and drinking beer may be a Belgian pastime, but it is no measure of Flemish or Walloon taste buds. Indeed, there are those who insist that one eats better here than anywhere in Europe, and a local saying goes that a Michelin star in Brussels is worth two in Paris.

In any case, a survey by the Belgian television reported that 13 percent more Brussels residents had eaten out in 1984 than the year before, which could mean not only that restaurants here are getting better but that Brussels is a city of foodies.

So if you're thinking of giving, perhaps the best gift from Brussels is a gift of good food. There are several palaces that sell their fare from their service *traiteur* or catering department. Jean Mahan, of the two-star La Cravache d'Or (10 Place Albert Lecmans, tel: 338.66.76) will provide a chef and waiter for 5,000 Belgian francs (\$80), and a menu of *ravioli de foie gras d'oie* (ravioli filled with goose-liver pâté), *croquette d'homard* (lobster tart), *chevreuil en fin poivrade* (venison in a lightly peppered Burgundy sauce), *bûche de blancmanger au cassis* (ice cream log of almond cream with black currant sauce) and coffee for 1,800 francs a person, with a minimum 10 persons.

With 24 hours' notice, Le Village Gourmand (Place du Grand Sablon 39A, tel: 513.67.49), a self-contained gourmet arcade, will deliver a meal of *foie gras, gelée au porto* (fresh goose liver pâté in port-flavored aspic), *coquilles Saint-Jacques au jus d'herbes* (scallops in oyster juice), *escalope de saumon au velouté de ciboulette* (thin slices of salmon in chive-flavored white sauce) and *gigot de dinde, pomme confite* (turkey leg served with candied apples and chestnuts) at 1,775 francs a head.

For an elegant cold supper, Guy Verhulst at Le Provençal (Rue Joseph 11, tel: 230.32.75), a disciple of Nicolas Lefèvre, a famous Brussels *traiteur*, will whip up on 48 hours' notice *mousse de cresson au homard* (two watercress mousses with bits of lobster) at 400 francs a serving, *ballotine de sole au saumon* (roll of sole with salmon stuffing served with a mayonnaise sauce, 425 francs a serving) and a *miroir au citron sauce framboise* (a shimmering cake of sponge, lemon mousse topped with lemon glaze and served with raspberry sauce), at 120 francs a serving.

Call Bernard (Rue de Namur 93, tel: 512.88.21), where fish and fowl reign, for the freshest oysters to celebrate the New Year: native Zélandes in four sizes (440 to 740 francs a dozen), Whistables, the big English ones, at 1,020 francs a dozen, or *fine de claire*, the long French variety, at 360 francs a dozen. For New Year's Eve, Le Village Gourmand will supply a tray of black and

white canapés of their famous fresh goose liver at 430 francs for 100 grams.

Rob (Boulevard de Woluwe 28, Chaussée de Waterloo 1331, Chaussée d'Ixelles 9, tel: 77.20.60) the three-store emporium that has been feeding indigenous *bees fins* and discerning diplomats for 40 years, cooks up an epicurean storm for the holidays. Their hors d'oeuvres include *petits fours cocktail* at 450 francs for 25, or stuffed grape leaves at 29.50 each, and they prepare six different menus. At 750 francs a person, *crème Auroré* (tomato soup), *hure de saumon et pâté de poissons* (fish pâté on a bed of greens served with chive sauce), *aguettes de dinde aux mirabelles* (slices of turkey baked in plums) accompanied by *pommes amandines* (apples baked with almonds) is reasonable and sounds sumptuous. They need 48 hours notice, and deliver their preparations in insulated containers.

FOR a hand-picked gift, come to Rob's with a basket (or they will supply) and ask the store's special assistant to help you fill it. You could choose from three types of Iranian caviar (although prices have gone up 21 percent since last year): beluga, 2,420 francs, oscietra, 2,716 francs or serving 2,451 francs for 100 grams. For a less jaded palate, fill the basket with *boudin de Noël aux truffes* (pork and turkey sausage with truffles), 650 francs a kilogram, an assortment of cheeses from a vast selection and a bottle of wine from Rob's extensive cellar.

The newly opened English Shop (1384 Chaussée de Waterloo, tel: 374.98.39) can supply Anglo traditionalists with Siltton cheese, 390 francs a kilogram, Elizabeth the Chef plum puddings and Malvern fruit cakes, all sizes and all prices. Scandinavians can get their Christmas hams prepared the Swedish way (cooked in salt, pepper corns, carrots and onions, baked and boiled — you bake again after you've rubbed mustard, sugar and egg yolk into the skin) by calling Boucherie du Charolais (Rue Vanderkinden 409, tel: 344.64.38). For more Nordic specialties, call the Poissonerie Nielsen, Chaussée de Waterloo 242, tel: 358.65.45 Mondays and Thursdays 9-1:30, Fridays 3 to 6 P.M.

Wittamer, Brussels' most famous *pâtisserie*, (Place du Grand Sablon 12-13, tel: 512.37.42) stocks traditional *bûches de Noël* in five flavors, decorated with holiday figures in marzipan. For a special order of 10 servings or more, call before Dec. 20 and count on 130 francs a serving.

They also make a *corbeille nautique*, a woven basket of nougat filled with fruit-shaped ice creams and sherbets that will feed 8 to 10, at 130 francs a serving. *La corne d'abondance* is a cornucopia filled with ice creams and sherbets for 8 to 25, at 175 francs a serving. Wittamer's latest marvel is their *gâteau Astrid*, a sublime mixture of sponge

cake, bitter orange mousse and chocolate truffles created for the wedding of Princess Astrid of Belgium in September, at 130 francs a serving.

The jam selection includes 15 classic flavors, 10 exotic fruits — the latest being Kalamansi, a smooth bitter-orange spread — and 10 kinds of honey. All the recipes have been reworked to contain less sugar and more fruit.

Wittamer will also fill a little white hatbox with your choice of *bonbons* and wrap it up in cherry red and white ribbon. Two sizes, 300 or 400 francs.

While we're on sweets, there's always Godiva, Grand Place 22, tel: 511.25.37, which has come up with some snappy packages: 1,350 francs buys a ceramic house that carries 350 grams of chocolates; a hand-blown crystal vase filled with a kilogram (2.2 pounds) of sweets goes for 5,445 francs.

Brussels' molded Santa cakes, known as *speculaars*, have been the specialty for six generations at Dandoy (Rue au Beurre 31 and Rue Charles Buis 14, tel: 511.03.26)



range from 150 francs for the smallest to a granddaddy of three kilograms for 1,300 francs.

On Dec. 15 and 16 in the Place du Grand Sablon, a Christmas market will be held alongside the usual antique market, featuring food specialties from the Ardennes.

For those who have little or nothing to eat, you might consider giving to Oxfam-Belgium, which is celebrating its 20th year in the fight against hunger in the Third World. Write to 39 Rue du Conseil, 1050 Brussels, tel: 512.14.87, bank number, CCP 000-0000028-28. Or give a donation to Community Help Services, Rue Saint Georges 102, tel: 647.67.80, Bank Bruxelles Lambert, account number 310.1810110-79. This group provides the English-speaking community in Brussels with a help line for those with mental and emotional problems.

by Jean Rafferty

PARIS — Christmas shopping in Paris is this year is awash in nostalgia. The seductive geometry of Art Deco and the voluptuous curves of Art Nouveau have lured the French away from their exclusive affair with the 18th century. Parisian shops are full of ecologies to the Belle Epoque and the distinctive style of the 1930s.

Silver and red and black galalite cigarette cases and compact bearing geometric motifs, Art Deco bracelets, earrings and cufflinks from Maud Bled (30 Rue Jacob, Paris 6; tel: 329.46.51) can be either decorative collectibles or wearable jewelry. Prices start at 150 francs (about \$16) for smaller items, 350 francs for boxes, and go up to 2,000.

For bargains you cannot beat Jeanne Dorey, a small shop on the tip of the Ile de la Cité (15 Place du Pont Neuf, Paris 1; tel: 354.99.32). Suppliers to Coco Chanel in her heyday, they have been making those ropes of baroque pearls and stringing necklaces of

smiths since 1820, their first-ever collection in silverplate also includes boxes, tumblers and vases for 265 francs to 850 francs.

A sailor's beret in blue, an anchor in red and the Normandie in white are the motifs of one necklace at Isadora, 10 Rue Pré-aux-Clercs, Paris 7; tel: 222.89.63, whose unconventional jewelry designs are made from the Art Deco material ambrolithe. The creations here, fruits of a collaboration between the owner, Danielle Poullain, and the Haitian painter Hervé Télémaque, fall midway between fashion and art. The oversized pieces, whose themes range from music, with black and white piano keys, trumpets and staff, to artists' red and orange palettes and brushes, to animals, are handcrafted in vibrant colors. Necklaces cost from 1,100 francs; individual motifs are sold as brooches from 440 francs.

For those who prefer the romantic exuberance of the Belle Epoque, the attractive Left Bank shop of Florence Rousseau (9 Rue Luyne, Paris 7; tel: 548.04.71), provides an elegant selection of silver brooches, bracelets, cigarette cases and boxes, many with Art Nouveau motifs of thistle, mistletoe and lily of the valley, which start at 500 to 600 francs. Several *barboline* cache-pots in the flowing lines and green, yellow and pink colors of the 1900s start at 1,500 francs.

At Diners en Ville (27 Rue de Varenne, Paris 7; tel: 222.78.33), turn-of-the-century tea services (from 1,300 francs) are barely unpacked before they are snapped up by the clientele. Period gifts span the centuries: antique carafes priced from 260 francs, old-fashioned cookie jars sold as ice buckets, 500 to 600 francs, and contemporary trompe l'oeil plates of deceptively realistic fruit, vegetable, fish or shellfish by the French artist Christine Viennet at 250 to 1,500 francs.

Taking the opposite tack, what could be more resolutely modern than comic strips sold as art? The futuristic *serigraphes* numbered and signed by such comic luminaries as Moebius, Hugo Pratt and Bilal are sold by Artcurial (9 Avenue Matignon, Paris 8; tel: 299.16.20) for 500 to 1,300 francs. Archetype (17 Rue des Francs-Bourgeois, Paris 4; tel: 272.18.15), is the first French gallery to sell both realistic and imaginary architectural perspectives by contemporary French architects such as Claude Parent, Fernando Montes and George Pencreac'h. Signed and numbered reproductions cost from 50 to 220 francs; original framed ink drawings from 1,000 to 10,000 francs.

Another gift for young collectors are photographic prints from Agathe Gaillard (3 Rue du Pont Louis-Philippe, Paris 4; tel: 277.38.24), who carries the work of Jacques-Henri Lartigue, Henri Cartier-Bresson and a host of younger French photographers. Signed prints start at 1,300 francs. At the Galerie Marion Meyer (15 Rue Guénégaud, Paris 6; tel: 633.04.38), the evocative visions of Man Ray's friend and contemporary Maurice Tabard, who recently died, are

priced from 1,200 francs. Everyone under 20 is stepping into French-designed boxer shorts this year. Choose between Contre Courant's patterns of red reindeer, pink piglets or green frogs, 49 francs from a brand new shop (at 40 Rue Saint-Honoré, Paris 1; tel: 222.89.63), Epsom's exclusive designs imprinted with candlelit cakes, giraffes or Marilyn Monroe, 120 francs (at 18 Rue Franklin, tel: 224.58.14) or avant-garde "skacy chic" styles in transparent black, gray and white, or purposefully faded paisleys: 175 francs for shorts, 210 francs with matching hankie and traveling bag, from Tous les Cadeaux (26 Rue Bouloi, Paris 1; tel: 236.49.92). Their matching silk and cotton dressing gowns, 950 francs, are sold as evening coats or dresses.

TOP dogs must direct their owners to Goyard (233 Rue Saint-Honoré, Paris 1; tel: 260.57.04), who has a complete line of outer wear from slickers to winter sports pullovers for the privileged pooch. Their specialty: Two- or three-toned leather leashes and collars, from 500 francs, which can be made up at two days' notice in any color combination. Best sellers: Red, white and blue collar and leash, and for white-tie occasions, a black and white collar inspired by a wing collar dress shirt, from 160 francs. Babies needn't be left out on formal evenings. White tie and tails stretch pajamas, in gray and white for newborns, black and white from ages 6 to 10, start at 285 francs from La Gadgeterie (1 Rue Georges Bizet, Paris 16; tel: 720.52.20).

A gray flannel desk set for the three-piece suit man, 932 francs for seven items, which can also be purchased separately, from Pierre Frey (47 Rue des Petits Champs, Paris 1; tel: 297.44.00). For a very feminine chairman of the board: A Rochas leather briefcase imprinted with the lacy symbol of their famous perfume, *Femme*, 1,700 francs with gloves and cashmere silk shirt to match, 900 francs and 850 francs, from Les Signes de Rochas (33 Rue François I, Paris 8; tel: 723.54.56).

The cleverest tights in town are trompe l'oeil, marbled or printed to look like ripped silk, 100 francs from Claire Barrat (8 Avenue Victor Hugo, Paris 16; tel: 501.81.36) who also carry the matching shirts, skirts and lingerie. Or join the great fad for plaid with tartan tights, 59 francs in red or blue plaid from La Chausseterie (70 Rue de Rennes, Paris 6; tel: 548.85.52).

While Paris danced a flamboyant waltz through the Belle Epoque, the *chouchou* who preferred independent misery to life in the hospice was already a familiar Parisian sight. Help those who are living rough through the *Oeuvre de la Mère de Pâin* (18 Rue Charles-Fourier, Paris 13; tel: 589.43.11), which has provided soup and shelter with no questions asked to those in need since 1891.

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Size 32 x 25 - 336 pages. 431 color photographs. Price: FF 450.

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NYSE Most Actives

Vol.	High	Low	Close	Chg.
Unicom	44.00	39.00	39.00	-1.00
ITT	37.00	37.00	37.00	0.00
AT&T	37.00	37.00	37.00	0.00
IBM	37.00	37.00	37.00	0.00
IBM	37.00	37.00	37.00	0.00
IBM	37.00	37.00	37.00	0.00
IBM	37.00	37.00	37.00	0.00
IBM	37.00	37.00	37.00	0.00
IBM	37.00	37.00	37.00	0.00
IBM	37.00	37.00	37.00	0.00

Dow Jones Averages

Open	High	Low	Last	Close
Index	1162.50	1170.00	1162.50	1162.50
Transp.	1162.50	1170.00	1162.50	1162.50
Indus.	1162.50	1170.00	1162.50	1162.50
Comp.	1162.50	1170.00	1162.50	1162.50

NYSE Index

Open	High	Low	Close	Chg.
Index	1162.50	1170.00	1162.50	1162.50
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Comp.	1162.50	1170.00	1162.50	1162.50

NYSE Diaries

Class	Open	High	Low	Last	Close
Advanced	1162.50	1170.00	1162.50	1162.50	1162.50
Declined	1162.50	1170.00	1162.50	1162.50	1162.50
Unchanged	1162.50	1170.00	1162.50	1162.50	1162.50
Total Issues	1162.50	1170.00	1162.50	1162.50	1162.50

AMX Diaries

Class	Open	High	Low	Last	Close
Advanced	1162.50	1170.00	1162.50	1162.50	1162.50
Declined	1162.50	1170.00	1162.50	1162.50	1162.50
Unchanged	1162.50	1170.00	1162.50	1162.50	1162.50
Total Issues	1162.50	1170.00	1162.50	1162.50	1162.50

NASDAQ Index

Open	High	Low	Last	Close
Index	1162.50	1170.00	1162.50	1162.50
Transp.	1162.50	1170.00	1162.50	1162.50
Indus.	1162.50	1170.00	1162.50	1162.50
Comp.	1162.50	1170.00	1162.50	1162.50

AMEX Most Actives

Vol.	High	Low	Last	Close
Unicom	44.00	39.00	39.00	39.00
ITT	37.00	37.00	37.00	37.00
AT&T	37.00	37.00	37.00	37.00
IBM	37.00	37.00	37.00	37.00
IBM	37.00	37.00	37.00	37.00

NYSE Prices Are Mixed

NEW YORK — Prices on the New York Stock Exchange closed mixed Thursday in heavy trading as the market became mired in a holding pattern while investors awaited the money supply report.

The Dow Jones industrial average, which attempted several rallies throughout the session, closed off 1.11 points at 1170.49.

In the broader market, advances narrowly led declines, 792-753, among the 2,004 issues traded. Volume rose to 96.56 million shares from 88.70 million traded Wednesday.

Union Carbide accounted for nearly 6.7 million shares of the trading, with the stock dropping 5 1/2 points to 39.

The government of India's central Madhya Pradesh state has filed a criminal case of negligence against Union Carbide, which owns a chemical plant where a toxic gas leaked killed at least 1,267 people.

Analysts said there is concern that the company may not be insured if negligence is proven. But Union Carbide said the accident at the plant would not force it into bankruptcy.

Meanwhile, Moody's Investors Service Inc. is reviewing about \$1.6 billion of Union Carbide securities for a possible rating downgrade.

Takeover situations continued to capture investors' attention in an otherwise dull session.

ITT, which began the day weaker after sharp gains Wednesday, finished 1/2 point higher at 31 on 4.9 million shares, the second heaviest volume of the day. There were rumors that an investor is accumulating ITT's stock for a possible takeover.

Phillips Petroleum, climbing briskly since

U.S. M-1 Grows by \$2.2 Billion

NEW YORK — The M-1 measure of the U.S. money supply rose \$2.2 billion to a seasonally adjusted \$554.2 billion in the week ended Nov. 26, the Federal Reserve Board said Thursday.

Economists had predicted the M-1, which includes currency in circulation, travelers checks and checking deposits at financial institutions, would show a \$1.5-billion increase before seasonal adjustment.

Mesa Petroleum said it would make a \$60 partial tender offer, lost 1/4 to 5/8 on turnover of 2.7 million shares.

Trading in Datapoint remained heavy with the stock rising 3/4 to 18 1/2 on volume of \$64,000 shares. Adler Edelman, an investor, is believed to be accumulating the stock. Mr. Edelman declined to comment.

Integrated Resources, which was hit hard by proposed tax law changes, recaptured 1 1/4 to 13 1/4.

Chrysler rose 1 1/4 to 28 1/2 after announcing that it would repurchase up to 25 million of its shares.

Northwest Industries fell 1/4 to 56 1/2 after disclosing that an investment group has not yet lined up financing to buy the company. But the company said the money is expected to be arranged before Dec. 31.

Mixed

S. M-1 Grows by \$2.2 Billion

Reuters

NEW YORK — The M-1 measure of the U.S. money supply rose \$2.2 billion to a seasonally adjusted \$554.2 billion in the week ended Nov. 26, the Federal Reserve Board said Thursday.

Economists had predicted the M-1, which includes currency in circulation, travelers checks and checking deposits at financial institutions, would show a \$1.5-billion increase before seasonal adjustment.

Exxon Petroleum said it would make a \$60 million tender offer, lost 4% to 52% on turnover of 2.7 million shares.

Trading in Datapoint remained heavy with stock rising 3% to 18% on volume of 864,000 shares. Asher Edelman, an investor, is believed to be accumulating the stock. Mr. Edelman declined to comment.

Integrated Resources, which was hit hard by proposed tax law changes, recaptured 1% to 4%.

Chrysler rose 1% to 28% after announcing that it would repurchase up to 25 million of its shares.

Northwest Industries fell 3% to 56% after dissuading that an investment group has not yet agreed to up financing to buy the company. But the company said the money is expected to be raised before Dec. 31.

Month	Stock	Div.	Yld.	P/E	52-Week High	Low	Close	Chg.
20%	ChnCrst	1.00	3.7	10	177	262	262	+16
20%	ChnCrst	2.16	5.3	8	218	325	325	+16
20%	ChnCrst	4.28	10.7	5	252	375	375	+16
13%	CNP B	4.50	10.7	12	154	225	225	+13
13%	CNP B	4.50	10.7	12	154	225	225	+13
13%	CNP B	4.50	10.7	12	154	225	225	+13
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13%	CNP B	4.50	10.7	12	154	225	225	+13
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13%	CNP B	4.50						

AMEX Stock Index			
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Indus.	1162.50	1170.00	1162.50
Transp.	1162.50	1170.00	1162.50
Indus.	1162.50	1170.00	1162.50
Comp.	1162.50	1170.00	1162.50

F			
2%	2%	2%	2%
4%	4%	4%	4%
6%	6%	6%	6%
8%	8%	8%	8%
10%	10%	10%	10%
12%	12%	12%	12%
14%	14%	14%	14%
16%	16%	16%	16%
18%	18%	18%	18%
20%	20%	20%	20%
22%	22%	22%	22%
24%	24%	24%	24%
26%	26%	26%	26%
28%	28%	28%	28%
30%	30%	30%	30%
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600% PROFIT: FACT not FICTION

In the summer of 1982, while the DOW was drooping below 800, we defied prevailing pessimism, predicting "THE DJI WILL HIT 1,000 BEFORE TOUCHING 750." The "Average" subsequently surged to 1290.

Despite the upswing, the "Street" remains bearish or somnolent, chaffing at the fact that vast segments of the fiscal "Grand Canyon" missed the "move." As recently as a month ago, a chartist at a prestigious investment house, after caressing his ouija board, divined that the Bull was slain, and that the DJI would plunge under 700. His hallucinations will prove as errant as the widely vocalized pronouncements of Granville, Kaufman and other pundits who embraced apocalyptic thinking — seers who incorrectly prophesied higher interest rates and lower equity prices. In updating our vision of the DOW hurtling over 2,000 we are in allegiance with contrarians, with "Elitists" preconditioned to buy into weakness and to sell into strength, flouting the manic-depressive nature of the "Street." Since late 1981, approximately 90% of stocks recommended by CGR have escalated. As a corollary, we have been fortunate in cutting out fact from fantasy, having urged readers to "short" APPLE at \$56, COLECO around \$50, COMMODORE at \$58, and TANDY at \$54. To say that the "Quartet" has soured is sheer understatement.

The plasticity of achievement is exhilarating, a plasticity that will propel mankind to levels undreamed of a decade ago. There will be spastic sell-offs; every rocket quivers during its ascent. Temporary aberrations cannot be erased, but the optimist will predominate. Centuries from now, historians will observe that in flying to the galaxies mortals touched the face of God, that the Silence of Space that enwraps the Earth was not totally void — that in this era the dire events of Orwell's novel "1984" will writ, and that the eternal spirit of man somehow, somewhere, found its voice, took wing, and came alive. The "Tape" is telling us that the stabilization of East and West, of confused and chaotic societies, is inevitable. To abandon the market is to refute the elan that will drive doom and gloomers in the quick-sand of their self-serving myopia.

Our forthcoming letter highlights "Big Board" shares that may be raided by predators armed with juicy take-over bids; in addition, C.G.R. reviews two developing corporations with the dynamics to mature into prominence, emulating the success of a recently recommended "special" situation that catapulted 600% in six months.

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Past performance does not guarantee future results

12 Month Stock										12 Month Stock									
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TECHNOLOGY

Filters Cut Cost of Extracting Natural Gas From Garbage

By NICHOLAS D. KRISTOF
New York Times Service

OREGON CITY, Oregon — Ignoring the mud on his wing tip shoes, John Van Bladeren crouched and flicked a match toward a bubbling pool of water. A small fire danced amid the mud and water, fueled by natural gas percolating up from garbage below.

That gas escaped, but much of the methane created from garbage in the landfill does not. It is caught in trenches and pipelines, and "cleaned" by a new membrane technology that proponents say will allow companies to recover gas economically from landfills.

Natural gas is already being recovered from about 30 garbage landfills around the United States, but until now the process has been very expensive. The industry has searched for a way to use membranes that could separate the elements in the gas, and it is at this stage that the new technology is being used for the first time commercially.

A plant in Oregon is the first to recover natural gas from a landfill for commercial use.

Northwest Natural Gas Co. opened the site in September, and now pumps enough methane from the landfill to heat 3,700 homes. The company says it is compiling a list of landfills around the country where the technology could also be used.

"We had looked at landfill recovery previously, but concluded that it wasn't economical until this technology became available," said Ronald T. Miller, the company president.

NATURAL gas, primarily methane, produced by decomposing garbage is to blame for the noxious odor at landfills. Gas companies have sought for years to tap this source of methane, but it has been a technological struggle to separate the desired methane from the carbon dioxide that is also in the gas.

Two common methods, liquid chemicals that wash out the carbon dioxide and solids that absorb it, are expensive.

Membranes, thin films that look like sandwich wrapping, offered greater promise. They allow the carbon dioxide to pass through and escape while retaining the methane. An experimental plant uses membranes at a landfill near Florence, Alabama, but it has encountered problems because of temperature differences in the incoming gas.

Northwest Natural Gas avoided that problem by heating the gas to a constant temperature, and it says the gas produced is of high quality — about 950 British thermal units per cubic foot (0.9 cubic meters), compared with the 1,000 Btu generally obtained from gas in natural wells.

Some of the gas is fed back to run the separation plant and the rest is pumped into the company's distribution system. Northwest Natural Gas says the plant cost \$1.4 million to build and its production cost from the landfill is \$2.50 per million Btu.

The first step in recovering the gas is to find a suitable landfill. It should be deep with garbage and contain trash such as paper and wood instead of concrete or toxic wastes, said Mr. Van Bladeren, an engineer and vice president for operations at Northwest.

Wells are dug in the landfill, and sometimes trenches, with perforated pipes that the gas can enter. Decomposing garbage produces gas immediately and continues to do so for decades.

Compressors draw the gas along the pipes to an unmanned processing station. Water is drained from the pipes, while two carbon-activated filters extract most trace contaminants. Then the gas, which is about 45 percent carbon dioxide, enters a bulkhead of cylinders containing the acetate membranes.

The gas runs through the membranes, which are made by the Separex Corp. of Houston, Texas, up to three times to reduce the carbon dioxide levels to a tolerable 10-15 percent. The carbon dioxide is released into the air, but Northwest is considering purifying it so it could be used commercially, even in carbonated drinks.

As Profits Cool, So Does U.S. Economy

Industry Cutbacks Cause Ripples

By Winston Williams
New York Times Service

NEW YORK — When executives from General Electric Co.'s appliance division gathered in September for their monthly meeting, the mood was grim. Sales of stoves and refrigerators had retreated from the torrid pace of the past several months and the parent company's profits had just begun to slip from the level of the previous quarter.

Worse still, there was no improvement in sight.

To buoy profits and insulate the division from the sluggishness they saw coming, the executives decided they had to act swiftly.

The word went out to hold inventories steady. Spending for plant modernization and new equipment next year was to be "holed around the edges."

And within two months, 300 white-collar and 1,800 assembly-line workers were laid off indefinitely.

As General Electric goes so goes much of industrial America and this autumn has been no exception. Across the country, industrial companies reported lower profits and started pulling in their horns.

In the third quarter, corporate profits nationwide took a sharp 7.3-percent drop. Now there are predictions of further declines in the fourth quarter as the retrenchment feeds on itself.

The ripples are spreading throughout the economy. Bethlehem Steel Corp., after sinking into the red in the third quarter, is again laying off workers.

U.S. Home Corp., reeling from losses in the depressed Texas housing market, has cut back building.

R.H. Macy & Co., stunned by an indifferent consumer, is slashing prices to lighten its inventory burden.

Texas Inc., mired in the glut of cheap oil, is shutting refineries.

However varied the reasons, one thing is clear from the retrenchment: Falling or flat profits are a drag on economic growth.

The gross national product, the country's total output of goods and services, grew at a sluggish 1.9-percent annual rate in the third quarter after corporate profits had dipped a slight 0.3 percent in the second quarter.

After the much larger profits drop in the third quarter, economists are worried about the middle of next year, meaning the economy could perform listlessly until then.

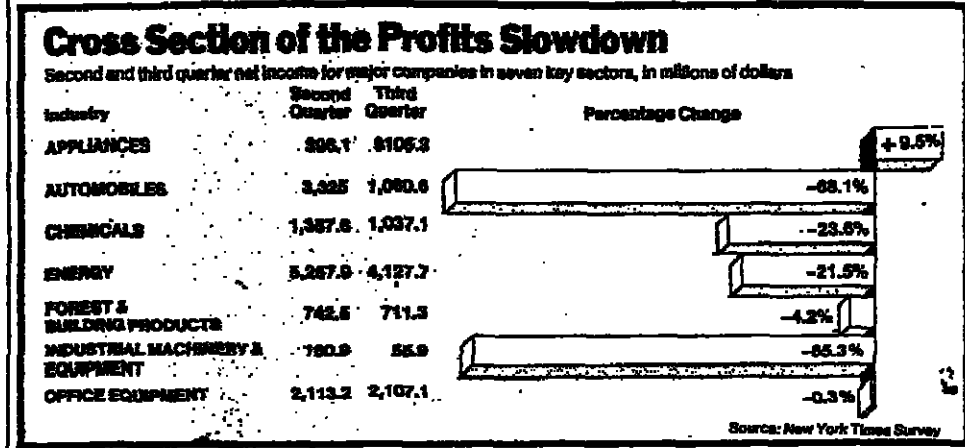
Profits began their descent gradually, almost imperceptibly. Competition from cheap imports, intensified by the strong dollar, began this year to squeeze manufacturers of machinery, steel, and clothes, making it more difficult for them to get adequate prices.

Consumers, having satisfied many of the deferred desires from the last recession, reduced their buying of houses and soft goods during the summer as they began to feel the bite of persistently high real interest rates.

Wage earners began to put more income into savings, forcing many retailers and homebuilders to cut prices to clear inventories.

"The economy is going nowhere because corporations have been squeezed by imports and business can't raise prices to earn a decent return," said Jesse Abraham, senior economist for Data Resources Inc., a consulting firm based in Lexington, Massachusetts.

This host of factors caused a faltering in an expansion that had



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Japan Agrees To Limit Export Of Steel To U.S.

Reuters

TOKYO — The United States and Japan on Thursday reached a compromise on steel trade under which Japan will limit its steel exports to 5.8 percent of U.S. consumption, a foreign ministry spokesman said.

Yoshio Hatano said the figure compared with 5.1 percent of the U.S. market share in 1983, 6.5 percent during the first six months of 1984 and an average 6.3 percent over the past 10 years.

Washington agreed to revoke anti-dumping cases and to refrain from bringing further cases under trade laws against dumping foreign products on the U.S. market while the accord is in effect, Mr. Hatano said.

Several key points in the agreement still must be resolved, including the duration of Japan's voluntary restraint and item-by-item ceiling of shipments, he said.

"We are not happy," Mr. Hatano said, "but the United States is not happy either."

William Brock, the U.S. trade representative, said in Washington, "there has been progress, a good deal of it" in the negotiations, but "We've made no final agreement," The Associated Press reported.

The United States initially demanded that Japan cut back shipments to last year's 5.1-percent level, the lowest in 17 years, while Japan had requested the 6.3-percent level that it regards as its traditional share of the market, Foreign Ministry officials said.

"We expect this agreement will win the understanding of the domestic steel industry," said Trade and Industry Minister Keiji Murota. "It is especially fortunate from the viewpoint of promoting U.S.-Japan goodwill."

European Embargo Holds

The European Community's ambassador in Washington said Thursday that a temporary U.S. embargo on imports of steel pipes and tubes from 10 countries violates an international accord on trade, The Associated Press reported from Washington.

"The embargo on pipes and tubes is in conflict with GATT," said Sir Roy Denman, referring to the General Agreement on Tariffs and Trade. "Under the rules, to stop imports in that way you have to show that a domestic industry has been injured — and the U.S. International Trade Commission has found no injury."

Mr. Brock said later: "We don't think we're breaking the agreement. We think we're keeping it." He was referring to an informal 1982 agreement limiting European exports of pipes and tubes to 5.9 percent of the U.S. market.

The United States halted further imports from EC countries Nov. 27 until the end of the year saying the EC had broken the 1982 agreement and exports were running at more than 14 percent.

EC member countries argued that the limit was only set as a "trigger" for consultations, not as an absolute quota.

Dollar Declines In 'Thin Market'

Reuters

NEW YORK — The dollar closed lower Thursday as unconfirmed reports of moderate intervention by the West German Bundesbank sparked selling in otherwise sluggish trading, dealers said.

"The amounts were not necessarily very large but in a thin market it wouldn't have taken a lot to push the dollar down," said Jeff Mondschein, vice president at Merrill Lynch & Co. Inc.

In New York, the dollar closed at 3.064 Deutsche marks, compared with 3.095 at the previous close. The British pound firmed to \$1.2065 at the finish from Wednesday's close of \$1.199.

The dollar ended the day in Frankfurt at 3.0765 DM, compared with Wednesday's close of 3.0643. It closed in London against the British pound at 1.2073, compared with 1.209.

Reagan Advisers Forecast 4% Growth

Reuters

WASHINGTON — President Ronald Reagan's budget advisers are basing their proposals to cut federal budget deficits on assumptions that include inflation-adjusted growth in the U.S. economy of 4 percent through 1988, according to a document prepared for Congress by the federal Office of Management and Budget.

The budget target booklet, distributed to reporters on Thursday, listed deficit targets of \$170 billion in the fiscal year ending Sept. 30, 1986; \$138 billion in fiscal 1987, and \$99 billion in fiscal 1988. The fiscal 1985 deficit is expected to be \$210 billion.

Mr. Reagan ordered his cabinet members Wednesday to save nearly \$34 billion in the 1986 budget through freezing, cutting or eliminating all of the government's domestic programs.

Mesa Group to Attempt Phillips Board Removal

Compiled by Our Staff From Dispatches

NEW YORK — A group led by oilman T. Boone Pickens Jr., attempting a \$9-billion takeover of Phillips Petroleum Co., said Thursday that it intends to seek to remove the entire 16-member Phillips board of directors.

Later Thursday, a judge in Oklahoma issued an order temporarily blocking the Pickens group from proceeding with an offer to buy as many as 15 million Phillips shares.

The order came in a lawsuit filed by Phillips against the Pickens group, which is a subsidiary of Mesa Petroleum Co.

Phillips argued that a \$60-per-share tender offer from the Mesa group violated a 1983 agreement in which Mesa Petroleum agreed not to buy shares in General American Oil Co. for five years.

General was acquired by Phillips the day after the agreement was signed and Phillips argued that Mesa has recognized that the pact also applied to Phillips' stock. A Dec. 14 hearing was scheduled on Phillips' request for a temporary injunction barring the proposed tender offer.

In a filing with the Securities and Exchange Commission Thursday, the Mesa partnership said it is seeking \$800 million in bank financing

to proceed with plans to purchase up to 23 million in Phillips shares, which with those already owned would give it 20.6 percent of those outstanding.

However Mr. Pickens, chairman of Mesa Petroleum Co., said that he expects \$1.6 billion in necessary funding to be arranged before the weekend. He said Texas Commerce Bank and Mellon Bank were the lead bankers in the financing efforts. Both banks declined to comment on his statement.

Mesa partners already hold 8.8 million Phillips common shares, or a 5.8 percent stake, which the group purchased for about \$383 million, the SEC filing said.

In the SEC filing in Washington, the Mesa group said it intended to ask Phillips shareholders to approve a series of bylaw changes that would lead to the ouster of the board of the major U.S. oil company.

One key change would require a simple majority vote, rather than the current two-thirds margin, for the removal of directors.

Phillips stock, the most active issue on the New York Stock Exchange on Wednesday, lost 75 cents to \$52.75 in heavy trading Thursday. Mesa lost 75 cents to \$20.75. (AP, Reuters, UPI)

Heavy ITT Trades Keep Takeover Rumors Alive

Compiled by Our Staff From Dispatches

NEW YORK — Heavy trading on Thursday revitalized speculation that someone was buying a large amount of International Telephone & Telegraph Corp. stock in preparation for a takeover bid of the conglomerate.

For the second straight day, New York-based ITT was the second most-active stock on the New York Stock Exchange, closing at \$31, up 75 cents on volume of 4.9 million shares.

Irwin L. Jacobs, an investor in Minneapolis, has been rumored to be buying ITT stock, and the Pritzker family of Chicago is also said to have been a big buyer. Mr. Jacobs and a spokesman for the Pritzkers declined to comment.

ITT, whose holdings range from telecommunications to timber, said Wednesday that it was aware of no reason for the activity in its stock and knew of no owners of 5 percent or more of its shares, the threshold over which a stockholder must declare his holdings and intentions.

The stock exchange said Thursday it had reported incorrectly the

size of an earlier block trade of ITT.

The stock exchange said the block trade should have been 500,000 shares at \$30.50 a share and not 2 million shares as reported earlier in the day.

Brokers said the block trade apparently came into question because it ran close to a 2.3 million block of ITT shares traded over the counter at \$30.375 a share.

Wall Street analysts have regarded the company as a takeover candidate because its stock price is well below book value of nearly \$40 a share.

Facing heavy research-and-development expenses for its System 12, a digital telephone switching system, ITT cut its annual dividend last summer to \$1 from \$2.76. It was the company's first dividend cut in 20 years.

The company reported net income of \$118 million on sales of \$2.9 billion for the third quarter ended Sept. 30, an 11 percent increase over a year earlier. (Reuters, LAT)

Currency Rates

Official fixings for Amsterdam, Brussels, Frankfurt, Milan, Paris, New York rates at 4 P.M. EDT.

	Amsterdam	Brussels	Frankfurt	Milan	Paris	New York
1 Mark	3.472	4.177	112.85	36.85	0.182	5.002
1 Franc	61.97	74.26	20.14	4.72	5.26	24.39
1 Lira	1,370	1,370	2,740	2,740	2,740	2,740
1 Yen	1,000	1,000	1,000	1,000	1,000	1,000
1 Swiss Franc	9.40	11.29	3.062	4.96	2.775	15.18
1 Deutsche Mark	3.472	4.177	112.85	36.85	0.182	5.002
1 British Pound	1.625	1.625	1.625	1.625	1.625	1.625
1 Italian Lira	1,370	1,370	2,740	2,740	2,740	2,740
1 Spanish Peseta	166.64	166.64	166.64	166.64	166.64	166.64
1 Greek Drachma	200	200	200	200	200	200
1 Hong Kong Dollar	7.80	7.80	7.80	7.80	7.80	7.80

6 Starline 1,102 Irish £

(a) Commercial franc (b) Amounts needed to buy one pound (c) Amounts needed to buy one dollar (°) Units of 100 (1) Units of 1,000 (v) Units of 10,000

N.B.: not quoted; N.A.: not available.

Interest Rates

Dec. 6

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(a) Commercial franc (b) Amounts needed to buy one pound (c) Amounts needed to buy one dollar (°) Units of 100 (1) Units of 1,000 (v) Units of 10,000

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(a)

Thursdays NYSE Closing

Tables include the nationwide prices up to the closing on Wall Street

(Continued from Page 16)

Symbol	Price	Change
48 1/2	100 1/2	+1/2
49 1/2	101 1/2	+1/2
50 1/2	102 1/2	+1/2
51 1/2	103 1/2	+1/2
52 1/2	104 1/2	+1/2
53 1/2	105 1/2	+1/2
54 1/2	106 1/2	+1/2
55 1/2	107 1/2	+1/2
56 1/2	108 1/2	+1/2
57 1/2	109 1/2	+1/2
58 1/2	110 1/2	+1/2
59 1/2	111 1/2	+1/2
60 1/2	112 1/2	+1/2
61 1/2	113 1/2	+1/2
62 1/2	114 1/2	+1/2
63 1/2	115 1/2	+1/2
64 1/2	116 1/2	+1/2
65 1/2	117 1/2	+1/2
66 1/2	118 1/2	+1/2
67 1/2	119 1/2	+1/2
68 1/2	120 1/2	+1/2
69 1/2	121 1/2	+1/2
70 1/2	122 1/2	+1/2
71 1/2	123 1/2	+1/2
72 1/2	124 1/2	+1/2
73 1/2	125 1/2	+1/2
74 1/2	126 1/2	+1/2
75 1/2	127 1/2	+1/2
76 1/2	128 1/2	+1/2
77 1/2	129 1/2	+1/2
78 1/2	130 1/2	+1/2
79 1/2	131 1/2	+1/2
80 1/2	132 1/2	+1/2
81 1/2	133 1/2	+1/2
82 1/2	134 1/2	+1/2
83 1/2	135 1/2	+1/2
84 1/2	136 1/2	+1/2
85 1/2	137 1/2	+1/2
86 1/2	138 1/2	+1/2
87 1/2	139 1/2	+1/2
88 1/2	140 1/2	+1/2
89 1/2	141 1/2	+1/2
90 1/2	142 1/2	+1/2
91 1/2	143 1/2	+1/2
92 1/2	144 1/2	+1/2
93 1/2	145 1/2	+1/2
94 1/2	146 1/2	+1/2
95 1/2	147 1/2	+1/2
96 1/2	148 1/2	+1/2
97 1/2	149 1/2	+1/2
98 1/2	150 1/2	+1/2
99 1/2	151 1/2	+1/2
100 1/2	152 1/2	+1/2

Symbol	Price	Change
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105 1/2	157 1/2	+1/2
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109 1/2	161 1/2	+1/2
110 1/2	162 1/2	+1/2
111 1/2	163 1/2	+1/2
112 1/2	164 1/2	+1/2
113 1/2	165 1/2	+1/2
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145 1/2	197 1/2	+1/2
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148 1/2	200 1/2	+1/2
149 1/2	201 1/2	+1/2
150 1/2	202 1/2	+1/2

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155 1/2	207 1/2	+1/2
156 1/2	208 1/2	+1/2
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199 1/2	251 1/2	+1/2
200 1/2	252 1/2	+1/2

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205 1/2	257 1/2	+1/2
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220 1/2	272 1/2	+1/2
221 1/2	273 1/2	+1/2
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248 1/2	300 1/2	+1/2
249 1/2	301 1/2	+1/2
250 1/2	302 1/2	+1/2

Symbol	Price	Change
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252 1/2	304 1/2	+1/2
253 1/2	305 1/2	+1/2
254 1/2	306 1/2	+1/2
255 1/2	307 1/2	+1/2
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Where will you be without gold if the dollar drops again?

The "almighty dollar" today is not quite so almighty. Its recent fluctuations on foreign exchange markets may be just a hiccup. Or the beginning of the greenback's long-awaited decline. Whichever the case, Krugerrand gold bullion coins are your best protection against currency instability.

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U.S. Futures Dec. 6

Season High Season Low Open High Low Close Chg.

Grains

WHEAT (CBT)
1,000 bushels - Dec. 1984
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1,000 bushels - Mar. 2001
1,000 bushels - May 2001

Tables include the nationwide prices up to the closing on Wall Street

A				
21%	13%	ADLs	20	47

[illegible]**NASDAQ National Market Prices**[illegible]

Dec. 6

[illegible]

OBSERVER

Simplifying U. S. Taxes

By Russell Baker
NEW YORK — Weir is the word for the tale of taxation being hawked from the swamps of Washington.

Here is the Treasury boss, Regan by name, not to be confused with Reagan the president, onetime Gipper, all-time Great Communicator and champion chopper of taxes, known to Earth's millions in the image of the age as Ronnie Regan. Regan, of the Treasury, by contrast, although fully named Donald T. Regan, is known to nobody as Donnie, aside from a handful of kin and kith.

Clearly then, this Regan, un-Donnie, never Gipper, Minor (at best) Communicator, secretary of the Treasury, barely existent to the image-besotted masses of the visual age, has been chosen for comedy duty because he has nothing whatever to lose, image-wise.

See him then simplifying the U. S. income tax law.

Doubtless Regan sobbed as much to Reagan when ordered to return to his Treasury and simplify. Doubtless, too, someone clever said, "Be of cheerful countenance, un-Donnie, for we have devised a scheme which will make all end in life-enhancing farce and giddy-rich yachts."

In that spirit the great simplification focused first on the great corporations. (Tycoons having been rendered obsolete by the invention of the limited-liability corporation, colorless corporations flying around in private jets had replaced J. P. Morgan, the founding Rockefeller, Carnegies, Mellons and other such who went around in yachts.)

It is the corporation's habit to whine incessantly about the national debt and insist on more taxation to strengthen the nation. This habit gave the lopsided Regan the simplifier an idea for a splendid jest.

Since some corporations were paying taxes of 36 percent while others paid at the rate of zero percent and all combined paid at an average rate of 16 percent, Regan proposed to simplify by requiring all to pay equally, but not more than 33 percent.

The Chamber of Commerce, enforcer for the United States's cor-

porations, immediately noting that 33 percent is more than double 16 percent, phoned the White House. The Chamber is the White House's kind of guy, and vice versa; they like, need and understand each other.

You can only imagine what was said:

Chamber: Hey, I know we keep asking for higher taxes to get the deficit down, but when did we say it was corporations that ought to pay them?

White House: Relax, you know the hell fellow is dead set against more taxing, so we're running this farce through the Christmas season so that everybody will be tired of laughing by January and ready for melodrama. Then we will round up the usual suspects and slap the usual to them.

Imagining this conversation is no fun, for I am one of those usual suspects: a receiver of salaries. A salt-of-the-earth fellow of the middle class, I like to say; though, if pressed by people who see my paycheck, I admit to being possibly upper-middle-class.

Did I not cry when Walter Mondale announced openly that, if elected, he would raise my taxes?

Did I not say of President Reagan, "The great thing about President Reagan is that while his tax policies are unfair, their unfairness has been good to me?" That was why I hated it during the campaign whenever one of his people denied that the president was unfair, for what I liked above all about President Reagan was his unfairness.

I cheered all over town when he promised not to raise my taxes. Mondale-fellow, no, I didn't believe it, of course. I suspected he—but more likely somebody plotting behind his back to protect his deniability—would find a way to raise taxes after all.

That the farce of tax simplification would be used to do the trick, I never suspected. There is that about the president—he is always being underrated, ingenuitously. And though now I am laughing at un-Donnie Regan's presentation of "Guy Here Says He's Going to Simplify Taxes, Poor Jerk," why do I feel there will be so much doom come January?

New York Times Service

Listening to Last Words

Paul Turner Analyzes the Tapes That Survive Airplane Crashes

Washington Post Service

WASHINGTON — Paul Crawford Turner, 55, is the man whose job it is to listen to the contents of cockpit voice recorders. More commonly known as "the black box," a CVR carries the final 30 minutes of crew conversation and radio transmissions on every flight of a large commercial aircraft. It almost always bears clues to why an airplane crashed.

As chief of the audio laboratory of the National Transportation Safety Board, Turner has thus helped solve the mysteries of all sorts of air disasters — from an Iranian Air Force 747 that blew apart over Madrid to the Air Florida crash on the Potomac River in 1982.

The Korean War broke out while Turner was in college, and in 1950 he enlisted in the U. S. Air Force. He completed 63 combat missions before his jet was shot down in August 1952 over the Yalu River, then spent a year in a prisoner-of-war camp. When he returned to the United States, he became an Air Force test pilot. When he resumed his studies he received a B. S. and a master's in electrical engineering from the University of Colorado.

After retiring from the Air Force in 1971, Turner accepted the safety board's offer to work as an understudy in its audio lab. In three years he became chief of the lab, and his reputation has since grown steadily.

Turner and his wife of 32 years, Jo, live in Camp Springs, Maryland. They have three grown sons. Here are excerpts from an interview by William Triplett, a Washington writer:

Question: When I first met you and asked you what you did for a living you said — and it was quite humorous and very quiet — you said, "I listen to people die." Do you still say that?

Answer: Yes, perhaps. I listen on the tape recorders to people sometimes making mistakes, sometimes not making mistakes and sometimes fighting for their lives. But much of the time, yes, I'm with them when they go.

Q: Is listening to the tape the

first time through ever hard on you?

A: No, it's more curiosity the first couple of times through. It's a little later on that it sometimes reaches you and you begin to see the conversation more in its depth and then you can see where a mistake might have been made or where the accident could have been averted perhaps, and then it does bother you.

Q: Do you work on instinct or is it all by the book?

A: Much of it is on instinct.

Q: What would be some examples?

A: The 14th Street Bridge accident investigation [in Washington] in which a 737 didn't have enough power — the Air Florida crash. There were two portions in there that made me wonder what was going on. One of them was the fact that the aircraft did not seem to have enough power. That began as an instinctive feeling and as we begin to examine it further using the laboratory equipment we found out that indeed it did not have enough power. The second portion of that was the strange way that the crew was discussing the problems they were having with the engine. It seemed to change on them while they were sitting on the ramp. First the left engine, or one of the engines, changed and then one of the other engines changed. At that particular time we were wondering just what they were talking about. Why were the engines changing? What were they seeing on the engines that gave them this unusual feeling in the cockpit? Later on when we found that the engines had enough power, we went out to see Boeing and had the test confirmed and it immediately became clear what had happened. Those two times on the tape were the times that the pressure probes had died. So we knew the exact instant of the icing of the probe on the airplane.

Q: Have you ever brought any of the tapes home with you?

A: If there's a particularly interesting passage that we've been working on for hours in the laboratory I might stick it in my cassette player in the car and lis-

ten to it a number of times while it's background to traffic. And sometimes the information will come out.

While you're listening to tapes in a laboratory environment, you're sitting there staring at the speakers, staring at the machine or holding a headset and trying to understand what's going on. Frequently I find that some of my most insightful activities are while I'm doing some other job and playing the tape in the background; then all of a sudden I will begin to recognize what is actually being said. Even moving around the room will give you a different insight as to what's coming on over the tape.

This happens with almost all of the tapes. Five or six passages will be bothering us because maybe the captain or the co-pilot will have turned away from the microphone. So you're not really hearing what he's saying, and you know he's saying something, and it's something there in the background while I'm working perhaps on some other portion of the tape. Every once in a while it will come through loud and clear. It will come through, too, sometimes if I'm in another room and if the tape is being listened to by, say, members of a group in the back room. The room or my distance, perhaps, from the speaker tends to filter the noise out.

The strange thing about this, once it comes through clear and you know what it says, there's no question in your mind that that's what they said.

Q: Do you think your experience as a prisoner of war in Korea influenced your feelings about life and death?

A: It might have. It's sort of traumatic to get shot down and bail out. So I sort of felt for a while that everything was gray. When you get close to death in a situation like this you realize how it can happen to anybody, crossing the street or doing whatever they're doing in their everyday existence. It gave me a little insight that says, "Don't sweat it. It's going to happen to all of us."



Paul C. Turner in his audio lab.

one of these days." Some sooner, some later.

Q: What is the most difficult part of your job?

A: One of the most difficult portions is to have something on the tape that you can't get off there and you feel that it may be the clue to the accident. Try as you will, you're not satisfied that you have the words.

The other frustrating thing is the obvious: If you know the guy made a mistake on board the airplane or if something failed on the airplane that could have been fixed that perhaps you'd found before and it was not repaired or not fixed. Say, for instance, flying into a thunderstorm. The guy is going to make a landing at some airport and you're listening to the tape and you're beginning to see from the other people's conversations around the cockpit on other radio channels that other people are having problems. That the winds have increased drastically at the airport. That there's a definite indication of wind shear even though it's not stated. That they can see the red cloud over the approach end of the airport but they feel that they can go under it and land the airplane. You say, "Oh, no, don't try it." Yet while I can sit here and say this while I'm in the cockpit with him and landing at that airport, I have to real-

ize from my own background that there are many times when I did this, there was no problem and I landed successfully.

Q: It doesn't sound like there's a wide, or any, margin for error in your work. One word misinterpreted can really change things.

A: That's right. So we don't like to put it down unless it's very accurate.

Q: Have you ever been shaken by a tape?

A: I've been shaken sometimes after I've heard the tape a number of times and I'm becoming, if you will, friendly with the crew, becoming a part of the crew. There just seems to be some area there that I should be able to tell them, "Hey, don't do it." Sometimes, yes, it will bother me.

Q: Those moments really must be private, because your colleagues have never noticed this.

A: When that occurs, I simply leave the room. That's all.

Q: Are there any tapes or last words in particular that stick in your mind, about you?

A: There's the classic of course, that we see on so many tapes. Just before an event occurs somebody generally says, "Oh, s---." I see that more perhaps than I see any two words. You sit right there with them and you'd say the same thing.

PEOPLE

Japanese Prince Weds Executive's Daughter

Prince Norihito, a nephew of Emperor Hirohito, and Hisako Totori, the daughter of a trading house executive, were married Thursday in a ceremony at the Imperial Palace in Tokyo. The prince, 29, the third son of Prince Mikasa and ninth in line to the throne, studied at Queens University in Canada from 1978 through 1981. The bride, 31, the eldest daughter of Shigeo Totori, managing director of the trading house Toho Bussan Kaisha, is a graduate of Cambridge University in Britain. The Imperial Palace said the 83-year-old Emperor Hirohito bestowed the new family name of Takamado on the newlyweds.

A former actor Wednesday won \$6,000 and the chance to answer about 300 million calls a year as the new voice of British Telecom's "talking clock." Next year, Britons who dial Telecom's 24-hour time information service, will be greeted by the soothing baritone of Alan Cobby, a 55-year-old Telecom employee from Brighton who will be the clock's voice for the next 20 years. Cobby's voice first became known to Britons in 1950s radio broadcasts over the British armed forces network. "Cobby's casual and relaxed voice reflects the change in speech patterns over the last two decades, and marks a distinct change from the formal style of the current speaking clock," a spokesman said. Cobby replaces Pat Simmons, who for the last 21 years has attracted a steady stream of fan mail and marriage proposals.

President Ronald Reagan and his wife Nancy, are sending out 125,000 Christmas cards, including a Janine Wyeth painting of the White House as a squirrel scampers across freshly fallen snow and makes the first footprints. The oil painting, titled "Christmas Morning at the White House," marks the second time the Reagans have used a Wyeth painting for their Christmas card. The 1981 card, depicting the south view of the White House, was a reproduction of the artist's "Christmas Eve at the White House." The White House said the cards were printed by the Hallmark firm at cost, and that the Republican National Committee paid for printing and mailing expenses.

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